

CONFERENCE COMMITTEE SUBSTITUTE

FOR

SENATE SUBSTITUTE

FOR

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FOR

FOR SENATE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 600

AN ACT

To repeal sections 32.057, 34.040, 67.990, 71.620, 143.124, 143.181, 143.225, 143.782, 144.025, 144.030, 144.081, 144.190, 144.250, 191.831, 196.365, 196.367, 196.370, 196.375, 196.380, 196.385, 196.390, 196.395, 196.400, 196.405, 196.415, 196.420, 196.425, 196.430, 196.435, 196.436, 196.440, 196.445, 208.565, 301.190, 302.304, 302.540, 306.016, 338.501, 338.520, 338.545, 338.550, 339.105, 351.120, 351.140, 351.484, 355.856, 356.211, 577.041, 577.049, and 577.520, RSMo, and to enact in lieu thereof forty-two new sections relating to taxation, with penalty provisions and an emergency clause.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

Section A. Sections 32.057, 34.040, 67.990, 71.620,
143.124, 143.181, 143.225, 143.782, 144.025, 144.030, 144.081,

144.190, 144.250, 191.831, 196.365, 196.367, 196.370, 196.375, 196.380, 196.385, 196.390, 196.395, 196.400, 196.405, 196.415, 196.420, 196.425, 196.430, 196.435, 196.436, 196.440, 196.445, 208.565, 301.190, 302.304, 302.540, 306.016, 338.501, 338.520, 338.545, 338.550, 339.105, 351.120, 351.140, 351.484, 355.856, 356.211, 577.041, 577.049, and 577.520, RSMo, are repealed and forty-two new sections enacted in lieu thereof, to be known as sections 21.810, 32.057, 34.040, 67.990, 67.2030, 71.620, 136.320, 136.325, 143.124, 143.181, 143.225, 143.782, 143.1020, 144.025, 144.030, 144.081, 144.190, 144.250, 191.831, 208.565, 301.190, 302.304, 302.540, 306.016, 313.826, 338.520, 338.550, 339.105, 351.120, 351.140, 351.484, 355.856, 356.211, 484.053, 488.5025, 488.5028, 488.5030, 577.041, 577.049, 577.520, 1, and 2, to read as follows:

21.810. 1. There is established a permanent joint committee of the general assembly to be known as the "Joint Committee on Tax Policy" which shall be composed of five members of the senate, appointed by the president pro tem of the senate, and five members of the house of representatives, appointed by the speaker of the house of representatives. A majority of the members of the committee shall constitute a quorum. The members shall annually select one of the members to be the chair and one of the members to be the vice chair. The speaker of the house of representatives and the president pro tem of the senate shall appoint the respective majority members. The minority leader of

the house and the minority leader of the senate shall appoint the respective minority members. The members shall receive no additional compensation, but shall be reimbursed for actual and necessary expenses incurred by them in the performance of their duties. No major party shall be represented on the committee by more than three members from the senate nor by more than three members from the house. The committee is authorized to meet and act year round and to employ the necessary personnel within the limits of appropriations. The staff of the committee on legislative research, house research, and senate research shall provide necessary clerical, research, fiscal, and legal services to the committee, as the committee may request.

2. It shall be the duty of the committee:

(1) To make a continuing study and analysis of the current and proposed tax policy of this state as it relates to:

(a) Fairness and equity;

(b) True economic impact;

(c) Burden on individuals and businesses;

(d) Effectiveness of tax expenditures;

(e) Impact on political subdivisions of this state;

(f) Agreements and contracts with the federal government, other states and territories, political subdivisions, and private entities relating to the collection and administration of state and local taxes and fees;

(g) Compliance with the state and United States

Constitution and federal and international law; and

(h) The effects of interstate commerce;

(2) To make a continuing study and review of the department of revenue, the department of economic development, the state tax commission, and any other state agency, commission, or state executive office responsible for the administration of tax policies;

(3) To study the effects of the coupling or decoupling with the federal income tax code as it relates to the state income tax;

(4) To make recommendations, as and when the committee deems fit, to the general assembly for legislative action or to report findings and to the departments, commissions, and offices for administrative or procedural changes; and

(5) To study the effects of a sales tax holiday.

3. All state departments, commissions, and offices responsible for the administration of tax policies shall cooperate with and assist the committee in the performance of its duties and shall make available all books, records and information requested, except individually identifiable information regarding a specific taxpayer. The committee may also consult with public and private universities and academies, public and private organizations, and private citizens in the performance of its duties. The committee may contract with public and private entities, within the limits of appropriation,

for analysis and study of current or proposed changes to state and local tax policy. The committee shall have the power to subpoena witnesses, take testimony under oath, compel the attendance of witnesses, the giving of testimony and the production of records.

32.057. 1. Except as otherwise specifically provided by law, it shall be unlawful for the director of revenue, any officer, employee, agent or deputy or former director, officer, employee, agent or deputy of the department of revenue, any person engaged or retained by the department of revenue on an independent contract basis, any person to whom authorized or unauthorized disclosure is made by the department of revenue, or any person who lawfully or unlawfully inspects any report or return filed with the department of revenue or to whom a copy, an abstract or a portion of any report or return is furnished by the department of revenue to make known in any manner, to permit the inspection or use of or to divulge to anyone any information relative to any such report or return, any information obtained by an investigation conducted by the department in the discharge of official duty, or any information received by the director in cooperation with the United States or other states in the enforcement of the revenue laws of this state. Such confidential information is limited to information received by the department in connection with the administration of the tax laws of this state.

2. Nothing in this section shall be construed to prohibit:

(1) The disclosure of information, returns, reports, or facts shown thereby, as described in subsection 1 of this section, by any officer, clerk or other employee of the department of revenue charged with the custody of such information:

(a) To a taxpayer or the taxpayer's duly authorized representative under regulations which the director of revenue may prescribe;

(b) In any action or proceeding, civil, criminal or mixed, brought to enforce the revenue laws of this state;

(c) To the state auditor or the auditor's duly authorized employees as required by subsection 4 of this section;

(d) To any city officer designated by ordinance of a city within this state to collect a city earnings tax, upon written request of such officer, which request states that the request is made for the purpose of determining or enforcing compliance with such city earnings tax ordinance and provided that such information disclosed shall be limited to that sufficient to identify the taxpayer, and further provided that in no event shall any information be disclosed that will result in the department of revenue being denied such information by the United States or any other state. The city officer requesting the identity of taxpayers filing state returns but not paying city earnings tax shall furnish to the director of revenue a list of

taxpayers paying such earnings tax, and the director shall compare the list submitted with the director's records and return to such city official the name and address of any taxpayer who is a resident of such city who has filed a state tax return but who does not appear on the list furnished by such city. The director of revenue may set a fee to reimburse the department for the costs reasonably incurred in providing this information;

(e) To any employee of any county or other political subdivision imposing a sales tax which is administered by the state department of revenue whose office is authorized by the governing body of the county or other political subdivision to receive any and all records of the state director of revenue pertaining to the administration, collection and enforcement of its sales tax. The request for sales tax records and reports shall include a description of the type of report requested, the media form including electronic transfer, computer tape or disk, or printed form, and the frequency desired. The request shall be made by annual written application and shall be filed with the director of revenue. The director of revenue may set a fee to reimburse the department for the costs reasonably incurred in providing this information. Such city or county or any employee thereof shall be subject to the same standards for confidentiality as required for the department of revenue in using the information contained in the reports;

(f) To the director of the department of economic

development or the director's duly authorized employees in discharging the director's official duties to certify taxpayers eligibility to claim state tax credits as prescribed by statutes;

(g) To any employee of any political subdivision, such records of the director of revenue pertaining to the administration, collection and enforcement of the tax imposed in chapter 149, RSMo, as are necessary for ensuring compliance with any cigarette or tobacco tax imposed by such political subdivision. The request for such records shall be made in writing to the director of revenue, and shall include a description of the type of information requested and the desired frequency. The director of revenue may charge a fee to reimburse the department for costs reasonably incurred in providing such information;

(2) The publication by the director of revenue or of the state auditor in the audit reports relating to the department of revenue of:

(a) Statistics, statements or explanations so classified as to prevent the identification of any taxpayer or of any particular reports or returns and the items thereof;

(b) The names and addresses without any additional information of persons who filed returns and of persons whose tax refund checks have been returned undelivered by the United States Post Office;

(3) The director of revenue from permitting the Secretary

of the Treasury of the United States or the Secretary's delegates, the proper officer of any state of the United States imposing a tax equivalent to any of the taxes administered by the department of revenue of the state of Missouri or the appropriate representative of the multistate tax commission to inspect any return or report required by the respective tax provision of this state, or may furnish to such officer an abstract of the return or report or supply the officer with information contained in the return or disclosed by the report of any authorized investigation. Such permission, however, shall be granted on condition that the corresponding revenue statute of the United States or of such other state, as the case may be, grants substantially similar privileges to the director of revenue and on further condition that such corresponding statute gives confidential status to the material with which it is concerned;

(4) The disclosure of information, returns, reports, or facts shown thereby, by any person on behalf of the director of revenue, in any action or proceeding to which the director is a party or on behalf of any party to any action or proceeding pursuant to the revenue laws of this state when such information is directly involved in the action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such information as is pertinent to the action or proceeding and no more;

(5) The disclosure of information, returns, reports, or

facts shown thereby, by any person to a state or federal prosecuting official, the official's designees, or other persons officially involved in any criminal or quasi-criminal investigation, action or proceeding pursuant to the laws of this state or of the United States when such information is pertinent to an investigation, action or proceeding involving the administration of the revenue laws or duties of public office or employment connected therewith;

(6) Any school district from obtaining the aggregate amount of the financial institution tax paid pursuant to chapter 148, RSMo, by financial institutions located partially or exclusively within the school district's boundaries, provided that the school district request such disclosure in writing to the department of revenue;

(7) The disclosure of records which identify all companies licensed by this state pursuant to the provisions of subsections 1 and 2 of section 149.035, RSMo. The director of revenue may charge a fee to reimburse the department for the costs reasonably incurred in providing such records;

(8) The disclosure to the commissioner of administration pursuant to section 34.040, RSMo, of a list of vendors and their affiliates who meet the conditions of section 144.635, RSMo, but refuse to collect the use tax levied pursuant to chapter 144, RSMo, on their sales delivered to this state.

3. Any person violating any provision of subsection 1 or 2

of this section shall, upon conviction, be guilty of a class D felony.

4. The state auditor or the auditor's duly authorized employees who have taken the oath of confidentiality required by section 29.070, RSMo, shall have the right to inspect any report or return filed with the department of revenue if such inspection is related to and for the purpose of auditing the department of revenue; except that, the state auditor or the auditor's duly authorized employees shall have no greater right of access to, use and publication of information, audit and related activities with respect to income tax information obtained by the department of revenue pursuant to chapter 143, RSMo, or federal statute than specifically exists pursuant to the laws of the United States and of the income tax laws of the state of Missouri.

34.040. 1. All purchases in excess of three thousand dollars shall be based on competitive bids, except as otherwise provided in this chapter.

2. On any purchase where the estimated expenditure shall be twenty-five thousand dollars or over, except as provided in subsection 5 of this section, the commissioner of administration shall:

(1) Advertise for bids in at least two daily newspapers of general circulation in such places as are most likely to reach prospective bidders and may advertise in at least two weekly minority newspapers and may provide such information through an

electronic medium available to the general public at least five days before bids for such purchases are to be opened. Other methods of advertisement, which may include minority business purchase councils, however, may be adopted by the commissioner of administration when such other methods are deemed more advantageous for the supplies to be purchased;

(2) Post a notice of the proposed purchase in his or her office; and

(3) Solicit bids by mail or other reasonable method generally available to the public from prospective suppliers. All bids for such supplies shall be mailed or delivered to the office of the commissioner of administration so as to reach such office before the time set for opening bids.

3. The contract shall be let to the lowest and best bidder. The commissioner of administration shall have the right to reject any or all bids and advertise for new bids, or purchase the required supplies on the open market if they can be so purchased at a better price. When bids received pursuant to this section are unreasonable or unacceptable as to terms and conditions, noncompetitive, or the low bid exceeds available funds and it is determined in writing by the commissioner of administration that time or other circumstances will not permit the delay required to resolicit competitive bids, a contract may be negotiated pursuant to this section, provided that each responsible bidder who submitted such bid under the original solicitation is notified of

the determination and is given a reasonable opportunity to modify their bid and submit a best and final bid to the state. In cases where the bids received are noncompetitive or the low bid exceeds available funds, the negotiated price shall be lower than the lowest rejected bid of any responsible bidder under the original solicitation.

4. All bids shall be based on standard specifications wherever such specifications have been approved by the commissioner of administration. The commissioner of administration shall make rules governing the delivery, inspection, storage and distribution of all supplies so purchased and governing the manner in which all claims for supplies delivered shall be submitted, examined, approved and paid. The commissioner shall determine the amount of bond or deposit and the character thereof which shall accompany bids or contracts.

5. The department of natural resources may, without the approval of the commissioner of administration required pursuant to this section, enter into contracts of up to five hundred thousand dollars to abate illegal waste tire sites pursuant to section 260.276, RSMo, when the director of the department determines that urgent action is needed to protect public health, safety, natural resources or the environment. The department shall follow bidding procedures pursuant to this section and may promulgate rules necessary to establish such procedures. Any rule or portion of a rule, as that term is defined in section

536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

6. The commissioner of administration and other agencies to which the state purchasing law applies shall not contract for goods or services with a vendor if the vendor or an affiliate of the vendor makes sales at retail of tangible personal property or for the purpose of storage, use, or consumption in this state but fails to collect and properly pay the tax as provided in chapter 144, RSMo. For the purposes of this section, "affiliate of the vendor" shall mean any person or entity that is controlled by or is under common control with the vendor, whether through stock ownership or otherwise.

67.990. 1. The governing body of any county or city not within a county may, upon approval of a majority of the qualified voters of such county or city voting thereon, levy and collect a tax not to exceed five cents per one hundred dollars of assessed valuation, or in any county of the first classification with more

than eighty-five thousand nine hundred but less than eighty-six thousand inhabitants, the governing body may, upon approval of a majority of the qualified voters of the county voting thereon, levy and collect a tax not to exceed ten cents per one hundred dollars of assessed valuation upon all taxable property within the county or city or for the purpose of providing services to persons sixty years of age or older. The tax so levied shall be collected along with other county or city taxes, in the manner provided by law. All funds collected for this purpose shall be deposited in a special fund for the provision of services for persons sixty years of age or older, and shall be used for no other purpose except those purposes authorized in sections 67.990 to 67.995. Deposits in the fund shall be expended only upon approval of the board of directors established in section 67.993 and only in accordance with the fund budget approved by the county or city governing body.

2. The question of whether the tax authorized by this section shall be imposed shall be submitted in substantially the following form:

OFFICIAL BALLOT

Shall (name of county/city) levy a tax of cents per each one hundred dollars assessed valuation for the purpose of providing services to persons sixty years of age or older?

[] YES

[] NO

67.2030. 1. The governing authority of any city of the fourth classification with more than one thousand six hundred but less than one thousand seven hundred inhabitants and located in any county of the first classification with more than seventy-three thousand seven hundred but less than seventy-three thousand eight hundred inhabitants is hereby authorized to impose, by ordinance or order, a sales tax in the amount not to exceed one-half of one percent on all retail sales made in such city which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, for the promotion of tourism in such city. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to this section shall be effective unless the governing authority of the city submits to the qualified voters of the city, at any municipal or state general, primary, or special election, a proposal to authorize the governing authority of the city to impose a tax.

2. The ballot of submission shall be in substantially the following form:

"Shall the city of (city's name) impose a citywide sales tax of (insert amount) for the purpose of promoting tourism in the city?"

☐ YES

☐ NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the ordinance or order and any amendments thereto shall be in effect on the first day of the first calendar quarter immediately following notification to the director of the department of revenue of the election approving the proposal. If a proposal receives less than the required majority, then the governing authority of the city shall have no power to impose the sales tax unless and until the governing authority of the city has submitted another proposal to authorize the imposition of the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. On and after the effective date of any tax authorized in this section, the city may adopt one of the two following provisions for the collection and administration of the tax:

(1) The city may adopt rules and regulations for the internal collection of such tax by the city officers usually responsible for collection and administration of city taxes; or

(2) The city may enter into an agreement with the director of revenue of the state of Missouri for the purpose of collecting the tax authorized in this section. In the event any city enters into an agreement with the director of revenue of the state of Missouri for the collection of the tax authorized in this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of such tax, and the director of revenue shall collect the additional tax authorized in this section. The tax authorized in this section shall be collected and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue, and the director of revenue shall retain an amount not to exceed one percent for cost of collection.

4. If a tax is imposed by a city pursuant to this section, the city may collect a penalty of one percent and interest not to exceed two percent per month on unpaid taxes which shall be considered delinquent thirty days after the last day of each quarter.

5. (1) The governing authority of any city that has adopted any sales tax pursuant to this section shall, upon filing of a petition calling for the repeal of such sales tax signed by at least ten percent of the qualified voters in the city, submit the question of repeal of the sales tax to the qualified voters at any primary or general election. The ballot of submission

shall be in substantially the following form:

Shall (insert name of city) repeal the sales tax of
..... (insert rate of percent) percent for tourism purposes now
in effect in (insert name of city)?

☐ Yes

☐ No

If you are in favor of the question, place an "X" in the box
opposite "Yes". If you are opposed to the question, place an "X"
in the box opposite "No".

If a majority of the votes cast on the proposal are in favor of
repeal, that repeal shall become effective on December
thirty-first of the calendar year in which such repeal was
approved.

(2) Once the tax is repealed as provided in this section,
all funds remaining in any trust fund or account established to
receive revenues generated by the tax shall be used solely for
the original stated purpose of the tax. Any funds which are not
needed for current expenditures may be invested by the governing
authority in accordance with applicable laws relating to the
investment of other city funds.

(3) The governing authority of a city repealing a tax
pursuant to this section shall notify the director of revenue of
the action at least forty-five days before the effective date of
the repeal and the director of revenue may order retention in any

trust fund created in the state treasury associated with the tax, for a period of one year, of two percent of the amount collected after receipt of such notice to cover refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of repeal of the tax in the city, the director of revenue shall remit the balance in the trust fund to the city and close the account of that city. The director of revenue shall notify each city of each instance of any amount refunded or any check redeemed from receipts due the city.

(4) In the event that the repeal of a sales tax pursuant to this section dissolves or terminates a taxing district, the governing authority of the city shall appoint a person to act as trustee for the district so dissolved or terminated. Before beginning the discharge of duties, the trustee shall take and subscribe an oath to faithfully discharge the duties of the office, and shall give bond with sufficient security, approved by the governing authority of the city, to the use of the dissolved or terminated district, for the faithful discharge of duties. The trustee shall have and exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining obligations of the district, shall pay over to the city treasurer or the equivalent official and take receipt for all remaining moneys. Upon payment to the city treasurer, the trustee shall deliver to the clerk of the governing authority of the city all

books, papers, records, and deeds belonging to the dissolved district.

6. Except as modified in this section, all provisions of sections 32.085 and 32.087, RSMo, shall apply to the tax imposed pursuant to this section.

71.620. 1. Hereafter no person following for a livelihood the profession or calling of minister of the gospel, duly accredited Christian Science practitioner, teacher, professor in a college, priest, lawyer, certified public accountant, dentist, chiropractor, optometrist, chiropodist, [or] physician or surgeon in this state, shall be taxed or made liable to pay any municipal or other corporation tax or license fee of any description whatever for the privilege of following or carrying on such profession or calling, and, after December 31, 2003, no investment funds service corporation, as defined in section 143.451, RSMo, shall be taxed or made liable to pay any municipal or other corporation tax or license fee of any description whatever for the privilege of following or carrying on its business or occupation, in an aggregate amount exceeding twenty-five thousand dollars annually, any law, ordinance or charter to the contrary notwithstanding.

2. No person following for a livelihood the profession of insurance agent or broker, veterinarian, architect, professional engineer, land surveyor, auctioneer, or real estate broker or salesman in this state, shall be taxed or made liable to pay any

municipal or other corporation tax or license fee for the privilege of following or carrying on his profession by a municipality unless that person maintains a business office within that municipality.

136.320. 1. Notwithstanding the provisions of any other law to the contrary, with respect to taxes administered by the department of revenue, an amnesty from the assessment or payment of all penalties, additions to tax, and interest shall apply with respect to unpaid taxes or taxes due and owing reported and paid in full from August 1, 2003, to October 31, 2003, regardless of whether previously assessed, except for penalties, additions to tax, and interest paid before August 1, 2003. The amnesty shall apply only to state tax liabilities due or due but unpaid on or before December 31, 2002, and shall not extend to any taxpayer who at the time of payment is a party to any criminal investigations or to any civil or criminal litigation that is pending in any court of the United States or this state for nonpayment, delinquency, or fraud in relation to any state tax imposed by the state of Missouri.

2. Upon written application by the taxpayer, on forms prescribed by the director of revenue, and upon compliance with this section, the department of revenue shall not seek to collect any penalty, addition to tax, or interest which may be applicable. The department of revenue shall not seek civil or criminal prosecution for any taxpayer for the taxable period for

which the amnesty has been granted.

3. Amnesty shall be granted only to those taxpayers who have applied for amnesty within the period stated in subsection 1 of this section, who have filed a tax return for each taxable period for which amnesty is requested, who have paid the entire balance due within sixty days of approval by the department of revenue, and who agree to comply with state tax laws for the next three years from the date of the agreement. No taxpayer shall be entitled to a waiver of any penalty, addition to tax, or interest pursuant to this section unless full payment of the tax due is made in accordance with rules and regulations established by the director of revenue.

4. If a taxpayer elects to participate in the amnesty program established pursuant to this section as evidenced by full payment of the tax due as established by the director of revenue, that election shall constitute an express and absolute relinquishment of all administrative and judicial rights of appeal. No tax payment received pursuant to this section shall be eligible for refund or credit.

5. Nothing in this section shall be interpreted to disallow the department of revenue to adjust a taxpayer's tax return as a result of any state or federal audit.

6. A collection fee, not to exceed twenty-five percent of the delinquent tax amount, may be imposed but shall not be subject to waiver or abatement. The collection fee shall be in

addition to all other penalties and interest otherwise authorized by law and may be imposed upon any tax liabilities eligible to be satisfied during the amnesty period established pursuant to this section that are not satisfied during such period.

7. The first seventy-five thousand dollars of revenue collected pursuant to this section shall be used exclusively for postage for notification of the tax amnesty program established in this section.

8. The department may promulgate such rules or regulations or issue administrative guidelines as are necessary to administer this section. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to chapter 536, RSMo.

136.325. 1. Notwithstanding the provisions of any other law to the contrary, with respect to taxes administered by the department of revenue on motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard motors pursuant to subdivision (1) of subsection 1 of section 144.020, RSMo, and section 144.440, RSMo, and the fees charged pursuant to subsection 5 of section 301.190, RSMo, an amnesty from the assessment or payment of all penalties, additions to tax, fees, and interest due thereon shall apply with respect to taxes due and owing reported and paid in full from August 1, 2003, to October 31, 2003, regardless of whether previously assessed, except for penalties, additions to tax, and interest paid before

August 1, 2003. The amnesty shall apply only to state tax or fee liabilities due on or before December 31, 2002, and shall not extend to any taxpayer who at the time of payment is a party to any criminal investigations or to any civil or criminal litigation that is pending in any court of the United States or this state for nonpayment, delinquency, or fraud in relation to any state tax imposed by the state of Missouri.

2. Upon written application by the taxpayer, on forms prescribed by the director of revenue, and upon compliance with the provisions of this section, the department of revenue shall not seek to collect any penalty, addition to tax, or interest which may be applicable. The department of revenue shall not seek civil or criminal prosecution for any taxpayer for the taxable period for which the amnesty has been granted.

3. Amnesty shall be granted only to those taxpayers who have applied for amnesty within the period stated in subsection 1 of this section, who have filed a tax return for each taxable period for which amnesty is requested, who have paid the entire balance due within sixty days of approval by the department of revenue, and who agree to comply with all state tax laws for the next three years from the date of the agreement. No taxpayer shall be entitled to a waiver of any penalty, addition to tax, or interest pursuant to this section unless full payment of the tax due is made in accordance with rules and regulations established by the director of revenue.

4. If a taxpayer elects to participate in the amnesty program established pursuant to this section as evidenced by full payment of the tax due as established by the director of revenue, that election shall constitute an express and absolute relinquishment of all administrative and judicial rights of appeal. No tax payment received pursuant to this section shall be eligible for refund or credit.

5. The department may promulgate such rules or regulations or issue administrative guidelines as are necessary to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2003, shall be invalid and void.

143.124. 1. Other provisions of law to the contrary notwithstanding, the total amount of all annuities, pensions, or retirement allowances above the amount of six thousand dollars annually provided by any law of this state, the United States, or

any other state to any person except as provided in subsection 4 of this section, shall be subject to tax pursuant to the provisions of this chapter, in the same manner, to the same extent and under the same conditions as any other taxable income received by the person receiving it. For purposes of this section, annuity, pension, or retirement allowance shall be defined as an annuity, pension or retirement allowance provided by the United States, this state, any other state or any political subdivision or agency or institution of this or any other state. For all tax years beginning on or after January 1, 1998, for purposes of this section, annuity, pension or retirement allowance shall be defined to include 401(k) plans, deferred compensation plans, self-employed retirement plans, also known as Keogh plans, annuities from a defined pension plan and individual retirement arrangements, also known as IRAs, as described in the Internal Revenue Code, but not including Roth IRAs, as well as an annuity, pension or retirement allowance provided by the United States, this state, any other state or any political subdivision or agency or institution of this or any other state. An individual taxpayer shall only be allowed a maximum deduction of six thousand dollars pursuant to this section. Taxpayers filing combined returns shall only be allowed a maximum deduction of six thousand dollars for each taxpayer on the combined return.

2. For the period beginning July 1, 1989, and ending

December 31, 1989, there shall be subtracted from Missouri adjusted gross income for that period, determined pursuant to section 143.121, the first three thousand dollars of retirement benefits received by each taxpayer:

(1) If the taxpayer's filing status is single, head of household or qualifying widow(er) and the taxpayer's Missouri adjusted gross income is less than twelve thousand five hundred dollars; or

(2) If the taxpayer's filing status is married filing combined and their combined Missouri adjusted gross income is less than sixteen thousand dollars; or

(3) If the taxpayer's filing status is married filing separately and the taxpayer's Missouri adjusted gross income is less than eight thousand dollars.

3. For the tax years beginning on or after January 1, 1990, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of the first six thousand dollars of retirement benefits received by each taxpayer from sources other than privately funded sources, and for tax years beginning on or after January 1, 1998, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of the first one thousand dollars of any retirement allowance received from any privately funded source for tax years beginning on or after January 1, 1998, but before January 1, 1999, and a maximum of the first

three thousand dollars of any retirement allowance received from any privately funded source for tax years beginning on or after January 1, 1999, but before January 1, 2000, and a maximum of the first four thousand dollars of any retirement allowance received from any privately funded source for tax years beginning on or after January 1, 2000, but before January 1, 2001, and a maximum of the first five thousand dollars of any retirement allowance received from any privately funded source for tax years beginning on or after January 1, 2001, but before January 1, 2002, and a maximum of the first six thousand dollars of any retirement allowance received from any privately funded sources for tax years beginning on or after January 1, 2002. A taxpayer shall be entitled to the maximum exemption provided by this subsection:

(1) If the taxpayer's filing status is single, head of household or qualifying widow(er) and the taxpayer's Missouri adjusted gross income is less than twenty-five thousand dollars; or

(2) If the taxpayer's filing status is married filing combined and their combined Missouri adjusted gross income is less than thirty-two thousand dollars; or

(3) If the taxpayer's filing status is married filing separately and the taxpayer's Missouri adjusted gross income is less than sixteen thousand dollars.

4. If a taxpayer's adjusted gross income exceeds the adjusted gross income ceiling for such taxpayer's filing status,

as provided in subdivisions (1), (2) and (3) of subsection 3 of this section, such taxpayer shall be entitled to an exemption equal to the greater of zero or the maximum exemption provided in subsection 3 of this section reduced by one dollar for every dollar such taxpayer's income exceeds the ceiling for his or her filing status.

5. For purposes of this section, any Social Security benefits otherwise included in Missouri adjusted gross income shall be subtracted; but Social Security benefits shall not be subtracted for purposes of other computations pursuant to this chapter, and are not to be considered as retirement benefits for purposes of this section.

6. The provisions of subdivisions (1) and (2) of subsection 3 of this section shall apply during all tax years in which the federal Internal Revenue Code provides exemption levels for calculation of the taxability of Social Security benefits that are the same as the levels in subdivisions (1) and (2) of subsection 3 of this section. If the exemption levels for the calculation of the taxability of Social Security benefits are adjusted by applicable federal law or regulation, the exemption levels in subdivisions (1) and (2) of subsection 3 of this section shall be accordingly adjusted to the same exemption levels.

7. The portion of a taxpayer's lump sum distribution from an annuity or other retirement plan not otherwise included in

Missouri adjusted gross income as calculated pursuant to this chapter, but subject to taxation under Internal Revenue Code Section 402 shall be taxed in an amount equal to ten percent of the taxpayer's federal liability on such distribution for the same tax year.

8. For purposes of this section, retirement benefits received shall not include any withdrawals from qualified retirement plans which are subsequently rolled over into another retirement plan.

9. The exemptions provided for in this section shall not affect the calculation of the income to be used to determine the property tax credit provided in sections 135.010 to 135.035, RSMo.

10. The exemptions provided for in this section shall apply to any annuity, pension, or retirement allowance as defined in subsection 1 of this section to the extent that such amounts are included in the taxpayer's federal adjusted gross income and not otherwise deducted from the taxpayer's federal adjusted gross income in the calculation of Missouri taxable income. This subsection shall not apply to any individual who qualifies under federal guidelines to be one hundred percent disabled.

143.181. 1. The Missouri nonresident adjusted gross income shall be that part of the nonresident individual's federal adjusted gross income derived from sources within Missouri, as modified in the same manner as set forth in section 143.121 with

respect to resident individuals. It shall be the sum of:

(1) The net amount of items of income, gain, loss, and deduction entering into his or her federal adjusted gross income which are derived from or connected with sources in this state including

(a) [His] The individual's distributive share of partnership income and deductions determined under section 143.421, and

(b) [His] The individual's share of estate or trust income and deductions determined under section 143.391, and

(c) [His] The individual's pro rata share of S corporation income and deductions determined under subsection 3 of section 143.471; and

(2) The portion of the modifications described in section 143.121 which relate to income derived from sources in this state, including any modifications attributable to him or her as a partner.

2. Items of income, gain, loss, and deduction derived from or connected with sources within this state are those items attributable to:

(1) The ownership or disposition of any interest in real or tangible personal property in this state; [and]

(2) A business, trade, profession, or occupation carried on in this state;

(3) Winnings from a wager placed in a lottery conducted by

the state lottery commission, if the proceeds from such wager are required, pursuant to the Internal Revenue Code of 1986, as amended, or regulations adopted thereunder, to be reported by the state lottery commission to the Internal Revenue Service; and

(4) Winnings from any other wager placed in this state or from any wagering transaction, gaming activity, or gambling activity in this state, if the proceeds from such wager, wagering transaction, gaming activity, or gambling activity are required, pursuant to the Internal Revenue Code of 1986, as amended, or regulations adopted thereunder, to be reported by the payer to the Internal Revenue Service.

3. Income from intangible personal property, including annuities, dividends, interest, and gains from the disposition of intangible personal property, shall constitute income derived from sources within this state only to the extent that such income is from:

(1) Property employed in a business, trade, profession, or occupation carried on in this state;

(2) Winnings from a wager placed in a lottery conducted by the state lottery commission, if the proceeds from such wager are required, pursuant to the Internal Revenue Code of 1986, as amended, or regulations adopted thereunder, to be reported by the state lottery commission to the Internal Revenue Service; and

(3) Winnings from any other wager placed in this state or from any wagering transaction, gaming activity, or gambling

activity in this state, if the proceeds from such wager, wagering transaction, gaming activity, or gambling activity are required, pursuant to the Internal Revenue Code of 1986, as amended, or regulations adopted thereunder, to be reported by the payer to the Internal Revenue Service.

4. Deductions with respect to capital losses, net long-term capital gains, and net operation losses shall be based solely on income, gains, losses, and deductions derived from sources within this state in the same manner as the corresponding federal deductions under regulations to be prescribed by the director of revenue.

5. If a business, trade, profession, or occupation is carried on partly within and partly without this state, the items of income and deduction derived from or connected with sources within this state shall be determined by apportionment and allocation under regulations to be prescribed by the director of revenue.

6. Compensation paid by the United States for service in the armed forces of the United States performed by a nonresident shall not constitute income derived from sources within this state.

143.225. 1. The director of revenue, by regulation, may require an employer to timely remit the unpaid amount required to be deducted and withheld by section 143.191 at the end of any quarter-monthly period, only if the employer was required to

deduct and withhold six thousand dollars or more in each of at least two months during the prior twelve months.

2. The director may increase the monthly requirement to more than six thousand dollars or otherwise narrow the application of the quarter-monthly remittance system authorized by this section. The director may not require the remittance of withheld taxes more often than monthly unless authorized by this section.

3. A remittance shall be timely if mailed as provided in section 143.851 within three banking days after the end of the quarter-monthly period or if received by the director or deposited in a depository designated by the director within four banking days after the end of the quarter-monthly period.

4. The unpaid amount shall be after a reduction for the compensation provided by section 143.261. The unpaid amount at the end of a quarter-monthly period shall not include unpaid amounts for any prior quarter-monthly period.

5. For purposes of this section, "quarter-monthly period" means:

- (1) The first seven days of a calendar month;
- (2) The eighth to fifteenth day of a calendar month;
- (3) The sixteenth to twenty-second day of a calendar month;

and

(4) The portion following the twenty-second day of a calendar month.

6. (1) In the case of an underpayment of any amount required to be paid pursuant to this section, an employer shall be liable for a penalty in lieu of all other penalties, interest or additions to tax imposed by this chapter for violating this section. The penalty shall be five percent of the amount of the underpayment determined under subdivision (2) of this subsection.

(2) The amount of the underpayment shall be the excess of

(a) Ninety percent of the unpaid amount at the end of a quarter-monthly period, over

(b) The amount, if any, of the timely remittance for the quarter-monthly period.

7. (1) The penalty with respect to any quarter-monthly period shall not be imposed if the employer's timely remittance for the quarter-monthly period equals or exceeds one-fourth of the average monthly withholding tax liability of the employer for the preceding calendar year. The month of highest liability and the month of lowest liability shall be excluded in computing the average. This subdivision shall apply only to an employer who had a withholding tax liability for at least six months of the previous calendar year.

(2) The penalty shall not be imposed if the employer establishes that the failure to make a timely remittance of at least ninety percent was due to reasonable cause, and not due to willful neglect.

(3) The penalty shall not be imposed against any employer

for the first two months the employer is obligated to make quarter-monthly remittance of withholding taxes.

8. Tax amounts remitted under this section shall be treated as payments on the employer's monthly return required by subsection 2 of section 143.221. Tax amounts remitted under this section shall be deemed to have been paid on the last day prescribed for filing the return. The preceding sentence shall apply in computing compensation under section 143.261, interest, penalties and additions to tax and for purposes of all sections of chapter 143, except this section.

9. The director of revenue may prescribe the use of an electronic funds payment system for the payment of withholding taxes by any employer subject to the requirement of quarter-monthly remittance as provided in this section.

143.782. As used in sections 143.782 to 143.788, unless the context clearly requires otherwise, the following terms shall mean and include:

(1) "Court", the supreme court, court of appeals, or any circuit court of the state;

(2) "Debt", any sum due and legally owed to any state agency which has accrued through contract, subrogation, tort, or operation of law regardless of whether there is an outstanding judgment for that sum, court costs as defined in section 488.010, RSMo, fines and fees owed, or any support obligation which is being enforced by the division of family services on behalf of a

person who is receiving support enforcement services pursuant to section 454.425, RSMo;

[(2)] (3) "Debtor", any individual, sole proprietorship, partnership, corporation or other legal entity owing a debt;

[(3)] (4) "Department", the department of revenue of the state of Missouri;

[(4)] (5) "Refund", the Missouri income tax refund which the department determines to be due any taxpayer pursuant to the provisions of this chapter. The amount of a refund shall not include any senior citizens property tax credit provided by sections 135.010 to 135.035, RSMo; and

[(5)] (6) "State agency", any department, division, board, commission, office, or other agency of the state of Missouri, including public community college district.

143.1020. 1. For each taxable year beginning on or after January 1, 2003, each individual or corporation entitled to a tax refund may designate that all or part of the refund due be credited to the state general revenue fund. The contribution designation authorized by this section shall be clearly and unambiguously printed on the first page of each income tax return form provided by this state. If any individual or corporation which is not entitled to a tax refund wishes to make a contribution to the state general revenue fund, such individual or corporation may, by separate check, draft, or other negotiable instrument, send in with the payment of taxes, or may send in

separately, that amount, clearly designated for the state general revenue fund, the individual or corporation wishes to contribute and the department of revenue shall forward such amount to the state treasurer for deposit to the state general revenue fund as provided in subsection 2 of this section.

2. The director of revenue shall transfer at least monthly all contributions designated by individuals or corporations pursuant to this section to the state treasurer for deposit to the state general revenue fund.

144.025. 1. Notwithstanding any other provisions of law to the contrary, in any retail sale other than retail sales governed by ~~[subsection 3]~~ subsections 4 and 5 of this section, where any article on which sales or use tax has been paid, credited, or otherwise satisfied or which was exempted or excluded from sales or use tax is taken in trade as a credit or part payment on the purchase price of the article being sold, the tax imposed by sections 144.020 and 144.440 shall be computed only on that portion of the purchase price which exceeds the actual allowance made for the article traded in or exchanged, if there is a bill of sale or other record showing the actual allowance made for the article traded in or exchanged. Where the article being traded in for credit or part payment is a motor vehicle, trailer, boat, or outboard motor the person trading in the article must be the owner or holder of a properly assigned certificate of ownership. Where the purchaser of a motor vehicle, trailer, boat or outboard

motor receives a rebate from the seller or manufacturer, the tax imposed by sections 144.020 and 144.440 shall be computed only on that portion of the purchase price which exceeds the amount of the rebate, if there is a bill of sale or other record showing the actual rebate given by the seller or manufacturer. Where the trade-in or exchange allowance plus any applicable rebate exceeds the purchase price of the purchased article there shall be no sales or use tax owed. This section shall also apply to motor vehicles, trailers, boats, and outboard motors sold by the owner or holder of the properly assigned certificate of ownership if the seller purchases or contracts to purchase a subsequent motor vehicle, trailer, boat, or outboard motor within one hundred eighty days before or after the date of the sale of the original article and a notarized bill of sale showing the paid sale price is presented to the department of revenue at the time of licensing. A copy of the bill of sale shall be left with the licensing office. Where the subsequent motor vehicle, trailer, boat, or outboard motor is titled more than one hundred eighty days after the sale of the original motor vehicle, trailer, boat, or outboard motor, the allowance pursuant to this section shall be made if the person titling such article establishes that the purchase or contract to purchase was finalized prior to the expiration of the one hundred eighty-day period.

2. As used in this section, the term "boat" includes all motorboats and vessels, as the terms "motorboat" and "vessel" are

defined in section 306.010, RSMo.

3. As used in this section, the term "motor vehicle" includes motor vehicles as defined in section 301.010, RSMo, recreational vehicles as defined in section 700.010, RSMo, or a combination of a truck as defined in section 301.010, RSMo, and a trailer as defined in section 301.010, RSMo.

4. The provisions of subsection 1 of this section shall not apply to retail sales of manufactured homes in which the purchaser receives a document known as the "Manufacturer's Statement of Origin" for purposes of obtaining a title to the manufactured home from the department of revenue of this state or from the appropriate agency or officer of any other state.

5. Any purchaser of a motor vehicle or trailer used for agricultural use by the purchaser shall be allowed to use an allowance to offset the sales and use tax liability towards the purchase of the motor vehicle or trailer any grain or livestock produced or raised by the purchaser. The director of revenue may prescribe forms for compliance with this subsection.

144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing

pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, RSMo, section 238.235, RSMo, and sections 144.010 to 144.525 and 144.600 to 144.745 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, RSMo, section 238.235, RSMo, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.584, RSMo; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310, RSMo) which are to be used in connection with the growth

or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation, slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts,

used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility which converts recovered materials into a new product, or a different form which is used in producing a new product, and shall include a facility or equipment which is used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms "motor vehicle" and "highway" shall have the same meaning pursuant to section 301.010, RSMo;

(5) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

(6) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of

products sold to the United States government or to any agency of the United States government;

(7) Animals or poultry used for breeding or feeding purposes;

(8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(9) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(10) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(11) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, RSMo, solely in the transportation of persons or property in interstate commerce;

(12) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (4) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of

the total cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200, RSMo. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(13) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;

(14) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices, and so certified as such by the director of the department of natural resources, except that any action by the director pursuant to this subdivision may be appealed to the air conservation commission which may uphold or reverse such action;

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of

such machinery, equipment, appliances and devices, and so certified as such by the director of the department of natural resources, except that any action by the director pursuant to this subdivision may be appealed to the Missouri clean water commission which may uphold or reverse such action;

(16) Tangible personal property purchased by a rural water district;

(17) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation;

(18) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to

dispense such samples and all sales of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities;

(19) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to all elementary and secondary schools operated at public expense in their educational functions and activities;

(20) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, solely in their civic or charitable functions and activities and all sales made to

eleemosynary and penal institutions and industries of the state, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (19) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(21) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530, RSMo;

(22) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture

or processing of fuel ethanol as defined in section 142.028,
RSMo, and all sales of farm machinery and equipment, other than
airplanes, motor vehicles and trailers. As used in this
subdivision, the term "feed additives" means tangible personal
property which, when mixed with feed for livestock or poultry, is
to be used in the feeding of livestock or poultry. As used in
this subdivision, the term "pesticides" includes adjuvants such
as crop oils, surfactants, wetting agents and other assorted
pesticide carriers used to improve or enhance the effect of a
pesticide and the foam used to mark the application of pesticides
and herbicides for the production of crops, livestock or poultry.
As used in this subdivision, the term "farm machinery and
equipment" means new or used farm tractors and such other new or
used farm machinery and equipment and repair or replacement parts
thereon, and supplies and lubricants used exclusively [for such
farm machinery and equipment], solely, and directly for producing
crops, raising and feeding livestock, fish, poultry, pheasants,
chukar, quail, or for producing milk for ultimate sale at retail
and one-half of each purchaser's purchase of diesel fuel therefor
which is:

- (a) Used exclusively for agricultural purposes;
- (b) Used on land owned or leased for the purpose of
producing farm products; and
- (c) Used directly in producing farm products to be sold
ultimately in processed form or otherwise at retail or in

producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(23) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use;

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by

or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for

taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(24) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536, RSMo, to eliminate all state and local sales taxes on such excise taxes;

(26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(27) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.430, RSMo, or sections 238.010 to 238.100, RSMo, in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(28) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(29) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(30) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(31) Electrical energy or gas, whether natural, artificial or propane, which is ultimately consumed in connection with the manufacturing of cellular glass products;

(32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(33) Tangible personal property purchased for use or consumption directly or exclusively in the research and development of prescription pharmaceuticals consumed by humans or animals;

(34) All sales of grain bins for storage of grain for resale;

(35) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, RSMo, and licensed pursuant to sections 273.325 to 273.357, RSMo;

(36) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(37) Tangible personal property purchased for use or consumption directly or exclusively in research or experimentation activities performed by life science companies and so certified as such by the director of the department of economic development or the director's designees; except that, the total amount of exemptions certified pursuant to this section shall not exceed one million three hundred thousand dollars in state and local taxes per fiscal year. For purposes of this subdivision, the term "life science companies" means companies whose primary research activities are in agriculture, pharmaceuticals, biomedical or food ingredients, and whose North American Industry Classification System (NAICS) Codes fall under industry 541710 (biotech research or development laboratories), 621511 (medical laboratories) or 541940 (veterinary services). The exemption provided by this subdivision shall expire on June 30, 2003.

144.081. 1. The director of revenue, by regulation, may

require a seller to timely remit the unpaid state sales tax for each quarter-monthly period, only if the seller's aggregate state sales tax was ten thousand dollars or more in each of at least six months during the prior twelve months. The term "state sales tax" as used in this section means the tax imposed by sections 144.010 to 144.510 and the additional sales tax imposed by sections 43(a) to 43(c) and 47(a) to 47(c) of article IV of the Missouri Constitution and does not include any sales taxes imposed by political subdivisions of the state pursuant to other provisions of law.

2. The director may increase the monthly requirement to more than ten thousand dollars or otherwise narrow the application of the quarter-monthly remittance system authorized by this section. The director may not require the remittance of state sales taxes more often than monthly unless authorized by this section.

3. A remittance shall be timely if mailed as provided in section 143.851, RSMo, within three banking days after the end of the quarter-monthly period or if received by the director or deposited in a depository designated by the director within four banking days after the end of the quarter-monthly period.

4. The unpaid amount shall be after a reduction for the compensation provided by section 144.140. The unpaid amount at the end of a quarter-monthly period shall not include unpaid amounts for a prior quarter-monthly period only if the seller

made a remittance with respect to the prior quarter-monthly period. The excess, if any, of a remittance over the actual amount for a period shall be applied in order of time to each of the seller's succeeding remittances with respect to the same return period.

5. For purposes of this section, "quarter-monthly period" means:

- (1) The first seven days of a calendar month;
- (2) The eighth to fifteenth day of a calendar month;
- (3) The sixteenth to twenty-second day of a calendar month;

and

(4) The portion following the twenty-second of a calendar month.

6. (1) In the case of an underpayment of any amount required to be paid pursuant to this section, a seller shall be liable for a penalty in lieu of all other penalties, interest or additions to tax imposed by this chapter for violating this section. The penalty shall be five percent of the amount of the underpayment determined under subdivision (2) of this subsection.

(2) The amount of the underpayment shall be the excess of:

(a) Ninety percent of the unpaid amount at the end of a quarter-monthly period, over

(b) The amount, if any, of the timely remittance for the quarter-monthly period.

7. (1) The penalty with respect to any quarter-monthly

period shall not be imposed if the seller's timely remittance for the quarter-monthly period equals or exceeds one-fourth of the average monthly state sales tax liability of the seller for the preceding calendar year. The month of highest liability and the month of lowest liability shall be excluded in computing the average. This subdivision shall apply only to a seller who had a state sales tax liability for at least six months of the previous calendar year.

(2) The penalty shall not be imposed if the seller establishes that the failure to make a timely remittance of at least ninety percent was due to reasonable cause, and not due to willful neglect.

(3) The penalty shall not be imposed against any seller for the first two months the seller is obligated to make quarter-monthly remittance of state sales taxes.

8. Tax amounts remitted under this section shall be treated as payments on the seller's monthly return required by sections 144.080 and 144.090. Tax amounts remitted under this section shall be deemed to have been paid on the last day prescribed for filing the return. The preceding sentence shall apply in computing compensation under section 144.140, interest, penalties and additions to tax and for purposes of all sections of this chapter, except this section.

9. The director of revenue may prescribe the use of an electronic funds payment system for the payment of sales and use

taxes by any seller subject to the requirement of quarter-monthly remittance as provided in this section.

144.190. 1. If a tax has been incorrectly computed by reason of a clerical error or mistake on the part of the director of revenue, such fact shall be set forth in the records of the director of revenue, and the amount of the overpayment shall be credited on any taxes then due from the person legally obligated to remit the tax pursuant to sections 144.010 to 144.525, and the balance shall be refunded to the person legally obligated to remit the tax, such person's administrators or executors, as provided for in section 144.200.

2. If any tax, penalty or interest has been paid more than once, or has been erroneously or illegally collected, or has been erroneously or illegally computed, such sum shall be credited on any taxes then due from the person legally obligated to remit the tax pursuant to sections 144.010 to 144.525, and the balance, with interest as determined by section 32.065, RSMo, shall be refunded to the person legally obligated to remit the tax, but no such credit or refund shall be allowed unless duplicate copies of a claim for refund are filed within three years from date of overpayment.

3. Every claim for refund must be in writing and signed by the applicant, and must state the specific grounds upon which the claim is founded. Any refund or any portion thereof which is erroneously made, and any credit or any portion thereof which is

erroneously allowed, may be recovered in any action brought by the director of revenue against the person legally obligated to remit the tax. In the event that a tax has been illegally imposed against a person legally obligated to remit the tax, the director of revenue shall authorize the cancellation of the tax upon the director's record.

4. Notwithstanding the provisions of this section, the director of revenue shall authorize direct-pay agreements to purchasers which have annual purchases in excess of seven hundred fifty thousand dollars pursuant to rules and regulations adopted by the director of revenue. For the purposes of such direct-pay agreements, the taxes authorized pursuant to chapters 66, 67, 70, 92, 94, 162, 190, 238, 321, and 644, RSMo, shall be remitted based upon the location of the place of business of the purchaser.

5. Special rules applicable to error corrections requested by customers of mobile telecommunications service are as follows:

(1) For purposes of this subsection, the terms "customer", "home service provider", "place of primary use", "electronic database", and "enhanced zip code" shall have the same meanings as defined in the Mobile Telecommunications Sourcing Act incorporated by reference in section 144.013;

(2) Notwithstanding the provisions of this section, if a customer of mobile telecommunications services believes that the amount of tax, the assignment of place of primary use or the

taxing jurisdiction included on a billing is erroneous, the customer shall notify the home service provider, in writing, within three years from the date of the billing statement. The customer shall include in such written notification the street address for the customer's place of primary use, the account name and number for which the customer seeks a correction of the tax assignment, a description of the error asserted by the customer and any other information the home service provider reasonably requires to process the request;

(3) Within sixty days of receiving the customer's notice, the home service provider shall review its records and the electronic database or enhanced zip code to determine the customer's correct taxing jurisdiction. If the home service provider determines that the review shows that the amount of tax, assignment of place of primary use or taxing jurisdiction is in error, the home service provider shall correct the error and, at its election, either refund or credit the amount of tax erroneously collected to the customer for a period of up to three years from the last day of the home service provider's sixty-day review period. If the home service provider determines that the review shows that the amount of tax, the assignment of place of primary use or the taxing jurisdiction is correct, the home service provider shall provide a written explanation of its determination to the customer.

6. For all refund claims submitted to the department of

revenue on or after September 1, 2003, notwithstanding any provision of this section to the contrary, if a person legally obligated to remit the tax levied pursuant to sections 144.010 to 144.525 has received a refund of such taxes for a specific issue and submits a subsequent claim for refund of such taxes on the same issue for a tax period beginning on or after the date the original refund check issued to such person, no refund shall be allowed. This subsection shall not apply and a refund shall be allowed if an additional refund claim is filed due to any of the following:

(1) Receipt of additional information or an exemption certificate from the purchaser of the item at issue;

(2) A decision of a court of competent jurisdiction or the administrative hearing commission; or

(3) Changes in regulations or policy by the department of revenue.

7. Notwithstanding any provision of law to the contrary, the director of revenue shall respond to a request for a binding letter ruling filed in accordance with section 536.021, RSMo, within sixty days of receipt of such request. If the director of revenue fails to respond to such letter ruling request within sixty days of receipt by the director, the director of revenue shall be barred from pursuing collection of any assessment of sales or use tax with respect to the issue which is the subject of the letter ruling request. For purposes of this subsection,

the term "letter ruling" means a written interpretation of law by the director to a specific set of facts provided by a specific taxpayer or his or her agent.

8. If any tax was paid more than once, was incorrectly collected, or was incorrectly computed, such sum shall be credited on any taxes then due from the person legally obligated to remit the tax pursuant to sections 144.010 to 144.510, against any deficiency or tax due discovered through an audit of the person by the department of revenue through adjustment during the same tax filing period for which the audit applied.

144.250. 1. In case of failure to file any return required under sections 144.010 to 144.525 on or before the date prescribed therefor, determined with regard to any extension of time for making a return, unless it is shown that such failure is due to reasonable cause and not the result of willful neglect, evasion or fraudulent intent, there shall be added to the amount required to be shown as tax on such return five percent of the amount of such tax if the failure is not for more than one month, with an additional five percent for each additional month or fraction thereof during which such failure continues, not exceeding twenty-five percent in the aggregate, except that when the gross sales tax exceeds two hundred fifty dollars in any one month, requiring the taxpayer to file a monthly return, there shall be no late penalty assessed for the first month in which the return is due. For purposes of this section, the amount of

tax required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax.

2. In case of failure to pay the full amount of tax required under sections 144.010 to 144.525 on or before the date prescribed therefor, determined with regard to any extension of time for payment, unless it is shown that such failure is due to reasonable cause and not the result of willful neglect, evasion or fraudulent intent, there shall be added to the tax an amount equal to five percent of the deficiency. If additions to tax are assessed under authority of this subsection, additions to tax may not be assessed by the director under authority of subsection 3 of this section.

3. In the case of failure to pay the full amount of tax required under sections 144.010 to 144.525 on or before the date prescribed therefor, determined with regard to any extension of time for payment, due to negligence or intentional disregard of rules and regulations, but without intent to defraud, there shall be added to the tax an amount equal to five percent of the deficiency. The director shall, upon request by a taxpayer, apprise the taxpayer of the factual basis for the finding of negligence, or the specific rules or regulations disregarded if the director assesses a penalty under this subsection. Rules or regulations which have been determined to be inconsistent with the laws of this state, by either the courts of this state or the

administrative hearing commission, may not be cited as the basis for an addition to tax under this section. If additions to tax are assessed under authority of this subsection, additions to tax may not be assessed by the director under authority of subsection 2 of this section.

4. Except in cases of fraud or evasion, if a person neglects or refuses to make a return and payment as required by sections 144.010 to 144.525, the director of revenue shall make an estimate based upon any information in his possession or that may come into his possession of the amount of the gross receipts of the delinquent for the period in respect to which he failed to make return and payment, and upon the basis of said estimated amount compute and assess the tax payable by the delinquent; such estimate may be reconstructed for that period of time for which the tax may be collected as prescribed by law.

5. Promptly thereafter, the director of revenue shall give to the delinquent written notice of such estimated assessment, the notice to be served personally or by certified or registered mail at his or its last known address.

6. The penalties and additions to tax authorized under this section shall be in addition to the interest provided for in this chapter.

7. The penalties or additions to tax authorized pursuant to this section for all taxes on motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard motors

pursuant to subdivision (1) of subsection 1 of section 144.020 and section 144.440 shall be doubled as of November 1, 2003.

191.831. 1. There is hereby established in the state treasury a "Health Initiatives Fund", to which shall be deposited all revenues designated for the fund under subsection 8 of [sections] section 149.015, RSMo, and subsection 3 of section 149.160, RSMo, and section 167.609, RSMo, and all other funds donated to the fund or otherwise deposited pursuant to law. The state treasurer shall administer the fund. Money in the fund shall be appropriated to provide funding for implementing the new programs and initiatives established by sections 105.711 and 105.721, RSMo. The moneys in the fund may further be used to fund those programs established by sections 191.411, 191.520 and 191.600, sections 208.151 and 208.152, RSMo, and sections 103.178, RSMo, 143.999, RSMo, 167.600 to 167.621, RSMo, 188.230, RSMo, 191.211, 191.231, 191.825 to 191.839, RSMo, 192.013, RSMo, 208.177, 208.178, 208.179 and 208.181, RSMo, 211.490, RSMo, 285.240, RSMo, 337.093, RSMo, 374.126, RSMo, 376.891 to 376.894, RSMo, 431.064, RSMo, 660.016, 660.017 and 660.018, RSMo; in addition, not less than fifteen percent of the proceeds deposited to the health initiative fund pursuant to sections 149.015 and 149.160, RSMo, shall be appropriated annually to provide funding for the C-STAR substance abuse rehabilitation program of the department of mental health, or its successor program, and a C-STAR pilot project developed by the director of the division of

alcohol and drug abuse and the director of the department of corrections as an alternative to incarceration, as provided in subsections 2, 3, and 4 of this section. Such pilot project shall be known as the "Alt-care" program. In addition, [five percent of the] some of the proceeds deposited to the health initiatives fund pursuant to sections 149.015 and 149.160, RSMo, shall be appropriated annually to the division of alcohol and drug abuse of the department of mental health to be used for [a pilot project to provide access to treatment and rehabilitation services by persons referred to such programs by an alcohol or drug related traffic offender education or rehabilitation program pursuant to sections 302.540, RSMo, 577.049 and 577.520, RSMo] the administration and oversight of the substance abuse traffic offenders program defined in section 302.010, RSMo, and section 577.001, RSMo. The provisions of section 33.080, RSMo, to the contrary notwithstanding, money in the health initiatives fund shall not be transferred at the close of the biennium to the general revenue fund.

2. The director of the division of alcohol and drug abuse and the director of the department of corrections shall develop and administer a pilot project to provide a comprehensive substance abuse treatment and rehabilitation program as an alternative to incarceration, hereinafter referred to as "Alt-care". Alt-care shall be funded using money provided under subsection 1 of this section through the Missouri Medicaid

program, the C-STAR program of the department of mental health, and the division of alcohol and drug abuse's purchase-of-service system. Alt-care shall offer a flexible combination of clinical services and living arrangements individually adapted to each client and her children. Alt-care shall consist of the following components:

- (1) Assessment and treatment planning;
- (2) Community support to provide continuity, monitoring of progress and access to services and resources;
- (3) Counseling from individual to family therapy;
- (4) Day treatment services which include accessibility seven days per week, transportation to and from the Alt-care program, weekly drug testing, leisure activities, weekly events for families and companions, job and education preparedness training, peer support and self-help and daily living skills; and
- (5) Living arrangement options which are permanent, substance-free and conducive to treatment and recovery.

3. Any female who is pregnant or is the custodial parent of a child or children under the age of twelve years, and who has pleaded guilty to or found guilty of violating the provisions of chapter 195, RSMo, and whose controlled substance abuse was a precipitating or contributing factor in the commission of the offense, and who is placed on probation may be required, as a condition of probation, to participate in Alt-care, if space is available in the pilot project area. Determinations of

eligibility for the program, placement, and continued participation shall be made by the division of alcohol and drug abuse, in consultation with the department of corrections.

4. The availability of space in Alt-care shall be determined by the director of the division of alcohol and drug abuse in conjunction with the director of the department of corrections. If the sentencing court is advised that there is no space available, the court shall consider other authorized dispositions.

208.565. 1. The division shall negotiate with manufacturers for participation in the program. The division shall issue a certificate of participation to pharmaceutical manufacturers participating in the Missouri Senior Rx program. A pharmaceutical manufacturer may apply for participation in the program with an application form prescribed by the commission. A certificate of participation shall remain in effect for an initial period of not less than one year and shall be automatically renewed unless terminated by either the manufacturer or the state with sixty days' notification.

2. For all transactions occurring prior to July 1, 2003, the rebate amount for each drug shall be fifteen percent of the average manufacturers' price as defined pursuant to 42 U.S.C. 1396r-8(k)(1). For all transactions occurring on or after July 1, 2003, the rebate amount for [each drug] name brand prescription drugs shall be fifteen percent and the rebate amount

for generic prescription drugs shall be eleven percent of the average manufacturers' price as defined pursuant to 42 U.S.C. 1396r-8(k)(1). No other discounts shall apply. In order to receive a certificate of participation a manufacturer or distributor participating in the Missouri Senior Rx program shall provide the division of aging the average manufacturers' price for their contracted products. The following shall apply to the providing of average manufacturers' price information to the division of aging:

(1) Any manufacturer or distributor with an agreement under this section that knowingly provides false information is subject to a civil penalty in an amount not to exceed one hundred thousand dollars for each provision of false information. Such penalties shall be in addition to other penalties as prescribed by law;

(2) Notwithstanding any other provision of law, information disclosed by manufacturers or wholesalers pursuant to this subsection or under an agreement with the division pursuant to this section is confidential and shall not be disclosed by the division or any other state agency or contractor therein in any form which discloses the identity of a specific manufacturer or wholesaler or prices charged for drugs by such manufacturer or wholesaler, except to permit the state auditor to review the information provided and the division of medical services for rebate administration.

3. All rebates received through the program shall be used toward refunding the program. If a pharmaceutical manufacturer refuses to participate in the rebate program, such refusal shall not affect the manufacturer's status under the current Medicaid program. There shall be no drug formulary, prior approval system, or any similar restriction imposed on the coverage of outpatient drugs made by pharmaceutical manufacturers who have agreements to pay rebates for drugs utilized in the Missouri Senior Rx program, provided that such outpatient drugs were approved by the Food and Drug Administration.

4. Any prescription drug of a manufacturer that does not participate in the program shall not be reimbursable.

301.190. 1. No certificate of registration of any motor vehicle or trailer, or number plate therefor, shall be issued by the director of revenue unless the applicant therefor shall make application for and be granted a certificate of ownership of such motor vehicle or trailer, or shall present satisfactory evidence that such certificate has been previously issued to the applicant for such motor vehicle or trailer. Application shall be made within thirty days after the applicant acquires the motor vehicle or trailer upon a blank form furnished by the director of revenue and shall contain the applicant's identification number, a full description of the motor vehicle or trailer, the vehicle identification number, and the mileage registered on the odometer at the time of transfer of ownership, as required by section

407.536, RSMo, together with a statement of the applicant's source of title and of any liens or encumbrances on the motor vehicle or trailer, provided that for good cause shown the director of revenue may extend the period of time for making such application.

2. The director of revenue shall use reasonable diligence in ascertaining whether the facts stated in such application are true and shall, to the extent possible without substantially delaying processing of the application, review any odometer information pertaining to such motor vehicle that is accessible to the director of revenue. If satisfied that the applicant is the lawful owner of such motor vehicle or trailer, or otherwise entitled to have the same registered in his name, the director shall thereupon issue an appropriate certificate over his signature and sealed with the seal of his office, procured and used for such purpose. The certificate shall contain on its face a complete description, vehicle identification number, and other evidence of identification of the motor vehicle or trailer, as the director of revenue may deem necessary, together with the odometer information required to be put on the face of the certificate pursuant to section 407.536, RSMo, a statement of any liens or encumbrances which the application may show to be thereon, and, if ownership of the vehicle has been transferred, the name of the state issuing the transferor's title and whether the transferor's odometer mileage statement executed pursuant to

section 407.536, RSMo, indicated that the true mileage is materially different from the number of miles shown on the odometer, or is unknown.

3. The director of revenue shall appropriately designate on the current and all subsequent issues of the certificate the words "Reconstructed Motor Vehicle", "Motor Change Vehicle", "Specially Constructed Motor Vehicle", or "Non-USA-Std Motor Vehicle", as defined in section 301.010. Effective July 1, 1990, on all original and all subsequent issues of the certificate for motor vehicles as referenced in subsections 2 and 3 of section 301.020, the director shall print on the face thereof the following designation: "Annual odometer updates may be available from the department of revenue.". On any duplicate certificate, the director of revenue shall reprint on the face thereof the most recent of either:

(1) The mileage information included on the face of the immediately prior certificate and the date of purchase or issuance of the immediately prior certificate; or

(2) Any other mileage information provided to the director of revenue, and the date the director obtained or recorded that information.

4. The certificate of ownership issued by the director of revenue shall be manufactured in a manner to prohibit as nearly as possible the ability to alter, counterfeit, duplicate, or forge such certificate without ready detection. In order to

carry out the requirements of this subsection, the director of revenue may contract with a nonprofit scientific or educational institution specializing in the analysis of secure documents to determine the most effective methods of rendering Missouri certificates of ownership nonalterable or noncounterfeitable.

5. The fee for each original certificate so issued shall be eight dollars and fifty cents, in addition to the fee for registration of such motor vehicle or trailer. If application for the certificate is not made within thirty days after the vehicle is acquired by the applicant, a delinquency penalty fee of twenty-five dollars for the first thirty days of delinquency and twenty-five dollars for each thirty days of delinquency thereafter, not to exceed a total of one hundred dollars before November 1, 2003, and not to exceed a total of two hundred dollars on or after November 1, 2003, shall be imposed, but such penalty may be waived by the director for a good cause shown. If the director of revenue learns that any person has failed to obtain a certificate within thirty days after acquiring a motor vehicle or trailer or has sold a vehicle without obtaining a certificate, he shall cancel the registration of all vehicles registered in the name of the person, either as sole owner or as a co-owner, and shall notify the person that the cancellation will remain in force until the person pays the delinquency penalty fee provided in this section, together with all fees, charges and payments which he should have paid in connection with

the certificate of ownership and registration of the vehicle. The certificate shall be good for the life of the motor vehicle or trailer so long as the same is owned or held by the original holder of the certificate and shall not have to be renewed annually.

6. Any applicant for a certificate of ownership requesting the department of revenue to process an application for a certificate of ownership in an expeditious manner requiring special handling shall pay a fee of five dollars in addition to the regular certificate of ownership fee.

7. It is unlawful for any person to operate in this state a motor vehicle or trailer required to be registered under the provisions of the law unless a certificate of ownership has been issued as herein provided.

8. Before an original Missouri certificate of ownership is issued, an inspection of the vehicle and a verification of vehicle identification numbers shall be made by the Missouri state highway patrol on vehicles for which there is a current title issued by another state if a Missouri salvage certificate of title has been issued for the same vehicle but no prior inspection and verification has been made in this state, except that if such vehicle has been inspected in another state by a law enforcement officer in a manner comparable to the inspection process in this state and the vehicle identification numbers have been so verified, the applicant shall not be liable for the

twenty-five dollar inspection fee if such applicant submits proof of inspection and vehicle identification number verification to the director of revenue at the time of the application. The applicant, who has such a title for a vehicle on which no prior inspection and verification have been made, shall pay a fee of twenty-five dollars for such verification and inspection, payable to the director of revenue at the time of the request for the application, which shall be deposited in the state treasury to the credit of the state highway fund.

9. Each application for an original Missouri certificate of ownership for a vehicle which is classified as a reconstructed motor vehicle, specially constructed motor vehicle, kit vehicle, motor change vehicle, non-USA-std motor vehicle, or other vehicle as required by the director of revenue, shall be accompanied by a vehicle examination certificate issued by the Missouri state highway patrol, or other law enforcement agency as authorized by the director of revenue. The vehicle examination shall include a verification of vehicle identification numbers and a determination of the classification of the vehicle. The owner of a vehicle which requires a vehicle examination certificate shall present the vehicle for examination and obtain a completed vehicle examination certificate prior to submitting an application for a certificate of ownership to the director of revenue. The fee for the vehicle examination application shall be twenty-five dollars and shall be collected by the director of

revenue at the time of the request for the application and shall be deposited in the state treasury to the credit of the state highway fund.

10. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, it shall be accompanied by a current inspection form certified by a duly authorized official inspection station as described in chapter 307, RSMo. The completed form shall certify that the manufacturer's identification number for the vehicle has been inspected, that it is correctly displayed on the vehicle and shall certify the reading shown on the odometer at the time of inspection. The inspection station shall collect the same fee as authorized in section 307.365, RSMo, for making the inspection, and the fee shall be deposited in the same manner as provided in section 307.365, RSMo. If the vehicle is also to be registered in Missouri, the safety and emissions inspections required in chapter 307, RSMo, shall be completed and only the fees required by sections 307.365 and 307.366, RSMo, shall be charged to the owner. This section shall not apply to vehicles being transferred on a manufacturer's statement of origin.

11. Motor vehicles brought into this state in a wrecked or damaged condition or after being towed as an abandoned vehicle pursuant to another state's abandoned motor vehicle procedures shall, in lieu of the inspection required by subsection 10 of

this section, be inspected by the Missouri state highway patrol in accordance with subsection 9 of this section. If the inspection reveals the vehicle to be in a salvage or junk condition, the director shall so indicate on any Missouri certificate of ownership issued for such vehicle. Any salvage designation shall be carried forward on all subsequently issued certificates of title for the motor vehicle.

12. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, and the certificate of ownership has been appropriately designated by the issuing state as reconstructed motor vehicle, motor change vehicle, specially constructed motor vehicle, the director of revenue shall appropriately designate on the current Missouri and all subsequent issues of the certificate of ownership the name of the issuing state and such prior designation.

13. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, and the certificate of ownership has been appropriately designated by the issuing state as non-USA-std motor vehicle, the director of revenue shall appropriately designate on the current Missouri and all subsequent issues of the certificate of ownership the words "Non-USA-Std Motor Vehicle".

14. The director of revenue and the superintendent of the

Missouri state highway patrol shall make and enforce rules for the administration of the inspections required by this section.

302.304. 1. The director shall notify by ordinary mail any operator of the point value charged against the operator's record when the record shows four or more points have been accumulated in a twelve-month period.

2. In an action to suspend or revoke a license or driving privilege under this section points shall be accumulated on the date of conviction. No case file of any conviction for a driving violation for which points may be assessed pursuant to section 302.302 may be closed until such time as a copy of the record of such conviction is forwarded to the department of revenue.

3. The director shall suspend the license and driving privileges of any person whose driving record shows the driver has accumulated eight points in eighteen months.

4. The license and driving privilege of any person whose license and driving privilege have been suspended under the provisions of sections 302.010 to 302.540 except those persons whose license and driving privilege have been suspended under the provisions of subdivision (8) of subsection 1 of section 302.302 or has accumulated sufficient points together with a conviction under subdivision (10) of subsection 1 of section 302.302 and who has filed proof of financial responsibility with the department of revenue, in accordance with chapter 303, RSMo, and is otherwise eligible, shall be reinstated as follows:

(1) In the case of an initial suspension, thirty days after the effective date of the suspension;

(2) In the case of a second suspension, sixty days after the effective date of the suspension;

(3) In the case of the third and subsequent suspensions, ninety days after the effective date of the suspension.

Unless proof of financial responsibility is filed with the department of revenue, a suspension shall continue in effect for two years from its effective date.

5. The period of suspension of the driver's license and driving privilege of any person under the provisions of subdivision (8) of subsection 1 of section 302.302 or who has accumulated sufficient points together with a conviction under subdivision (10) of subsection 1 of section 302.302 shall be thirty days, followed by a sixty-day period of restricted driving privilege as defined in section 302.010. Upon completion of such period of restricted driving privilege, upon compliance with other requirements of law and upon filing of proof of financial responsibility with the department of revenue, in accordance with chapter 303, RSMo, the license and driving privilege shall be reinstated.

6. If the person fails to maintain proof of financial responsibility in accordance with chapter 303, RSMo, the person's driving privilege and license shall be resuspended.

7. The director shall revoke the license and driving

privilege of any person when the person's driving record shows such person has accumulated twelve points in twelve months or eighteen points in twenty-four months or twenty-four points in thirty-six months. The revocation period of any person whose license and driving privilege have been revoked under the provisions of sections 302.010 to 302.540 and who has filed proof of financial responsibility with the department of revenue in accordance with chapter 303, RSMo, and is otherwise eligible, shall be terminated by a notice from the director of revenue after one year from the effective date of the revocation. Unless proof of financial responsibility is filed with the department of revenue, except as provided in subsection 2 of section 302.541, the revocation shall remain in effect for a period of two years from its effective date. If the person fails to maintain proof of financial responsibility in accordance with chapter 303, RSMo, the person's license and driving privilege shall be rerevoked. Any person whose license and driving privilege have been revoked under the provisions of sections 302.010 to 302.540 shall, upon receipt of the notice of termination of the revocation from the director, pass the complete driver examination and apply for a new license before again operating a motor vehicle upon the highways of this state.

8. If, prior to conviction for an offense that would require suspension or revocation of a person's license under the provisions of this section, the person's total points accumulated

are reduced, pursuant to the provisions of section 302.306, below the number of points required for suspension or revocation pursuant to the provisions of this section, then the person's license shall not be suspended or revoked until the necessary points are again obtained and accumulated.

9. If any person shall neglect or refuse to surrender the person's license, as provided herein, the director shall direct the state highway patrol or any peace or police officer to secure possession thereof and return it to the director.

10. Upon the issuance of a reinstatement or termination notice after a suspension or revocation of any person's license and driving privilege under the provisions of sections 302.010 to 302.540, the accumulated point value shall be reduced to four points, except that the points of any person serving as a member of the armed forces of the United States outside the limits of the United States during a period of suspension or revocation shall be reduced to zero upon the date of the reinstatement or termination of notice. It shall be the responsibility of such member of the armed forces to submit copies of official orders to the director of revenue to substantiate such overseas service. Any other provision of sections 302.010 to 302.540 to the contrary notwithstanding, the effective date of the four points remaining on the record upon reinstatement or termination shall be the date of the reinstatement or termination notice.

11. No credit toward reduction of points shall be given

during periods of suspension or revocation or any period of driving under a limited driving privilege granted by a court or the director of revenue.

12. Any person or nonresident whose license or privilege to operate a motor vehicle in this state has been suspended or revoked under this or any other law shall, before having the license or privilege to operate a motor vehicle reinstated, pay to the director a reinstatement fee of twenty dollars which shall be in addition to all other fees provided by law.

13. Notwithstanding any other provision of law to the contrary, if after two years from the effective date of any suspension or revocation issued under this chapter, the person or nonresident has not paid the reinstatement fee of twenty dollars, the director shall reinstate such license or privilege to operate a motor vehicle in this state.

14. No person who has had a license to operate a motor vehicle suspended or revoked as a result of an assessment of points for a violation under subdivision (8), (9) or (10) of subsection 1 of section 302.302 shall have that license reinstated until such person has participated in and successfully completed a substance abuse traffic offender program defined in section 302.010, or a program determined to be comparable by the department of mental health. Assignment recommendations, based upon the needs assessment as described in subdivision (22) of section 302.010, shall be delivered in writing to the person with

written notice that the person is entitled to have such assignment recommendations reviewed by the court if the person objects to the recommendations. The person may file a motion in the associate division of the circuit court of the county in which such assignment was given, on a printed form provided by the state courts administrator, to have the court hear and determine such motion pursuant to the provisions of chapter 517, RSMo. The motion shall name the person or entity making the needs assessment as the respondent and a copy of the motion shall be served upon the respondent in any manner allowed by law. Upon hearing the motion, the court may modify or waive any assignment recommendation that the court determines to be unwarranted based upon a review of the needs assessment, the person's driving record, the circumstances surrounding the offense, and the likelihood of the person committing a like offense in the future, except that the court may modify but may not waive the assignment to an education or rehabilitation program of a person determined to be a prior or persistent offender as defined in section 577.023, RSMo, or of a person determined to have operated a motor vehicle with fifteen-hundredths of one percent or more by weight in such person's blood. Compliance with the court determination of the motion shall satisfy the provisions of this section for the purpose of reinstating such person's license to operate a motor vehicle. The respondent's personal appearance at any hearing conducted pursuant to this subsection shall not be

necessary unless directed by the court.

15. The fees for the program authorized in subsection 14 of this section, or a portion thereof to be determined by the department of mental health, shall be paid by the person enrolled in the program. Any person who is enrolled in the program shall pay, in addition to any fee charged for the program, a supplemental fee [of sixty dollars] in an amount to be determined by the department of mental health for the purposes of funding the substance abuse traffic offender program defined in section 302.010 and section 577.001, RSMo, or a program determined to be comparable by the department of mental health. The administrator of the program shall remit to the division of alcohol and drug abuse of the department of mental health on or before the fifteenth day of each month the supplemental fee for all persons enrolled in the program, less two percent for administrative costs. Interest shall be charged on any unpaid balance of the supplemental fees due the division of alcohol and drug abuse pursuant to this section shall accrue at a rate not to exceed the annual rate established pursuant to the provisions of section 32.065, RSMo, plus three percentage points. The supplemental fees and any interest received by the department of mental health pursuant to this section shall be deposited in the mental health earnings fund which is created in section 630.053, RSMo.

16. Any administrator who fails to remit to the division of alcohol and drug abuse of the department of mental health the

supplemental fees and interest for all persons enrolled in the program pursuant to this section shall be subject to a penalty equal to the amount of interest accrued on the supplemental fees due the division pursuant to this section. If the supplemental fees, interest, and penalties are not remitted to the division of alcohol and drug abuse of the department of mental health within six months of the due date, the attorney general of the state of Missouri shall initiate appropriate action of the collection of said fees and interest accrued. The court shall assess attorney fees and court costs against any delinquent program.

302.540. 1. No person who has had a license to operate a motor vehicle suspended or revoked under the provisions of sections 302.500 to 302.540 shall have that license reinstated until such person has participated in and successfully completed a substance abuse traffic offender program defined in section 302.010, or a program determined to be comparable by the department of mental health. Assignment recommendations, based upon the needs assessment as described in subdivision (22) of section 302.010, shall be delivered in writing to the person with written notice that the person is entitled to have such assignment recommendations reviewed by the court if the person objects to the recommendations. The person may file a motion in the associate division of the circuit court of the county in which such assignment was given, on a printed form provided by the state courts administrator, to have the court hear and

determine such motion pursuant to the provisions of chapter 517, RSMo. The motion shall name the person or entity making the needs assessment as the respondent and a copy of the motion shall be served upon the respondent in any manner allowed by law. Upon hearing the motion, the court may modify or waive any assignment recommendation that the court determines to be unwarranted based upon a review of the needs assessment, the person's driving record, the circumstances surrounding the offense, and the likelihood of the person committing a like offense in the future, except that the court may modify but may not waive the assignment to an education or rehabilitation program of a person determined to be a prior or persistent offender as defined in section 577.023, RSMo, or of a person determined to have operated a motor vehicle with fifteen-hundredths of one percent or more by weight in such person's blood. Compliance with the court determination of the motion shall satisfy the provisions of this section for the purpose of reinstating such person's license to operate a motor vehicle. The respondent's personal appearance at any hearing conducted pursuant to this subsection shall not be necessary unless directed by the court.

2. The fees for the program authorized in subsection 1 of this section, or a portion thereof to be determined by the division of alcohol and drug abuse of the department of mental health, shall be paid by the person enrolled in the program. Any person who is enrolled in the program shall pay, in addition to

any fee charged for the program, a supplemental fee [of sixty dollars] to be determined by the department of mental health for the purposes of funding the substance abuse traffic offender program defined in section 302.010 and section 577.001, RSMo, or a program determined to be comparable by the department of mental health. The administrator of the program shall remit to the division of alcohol and drug abuse of the department of mental health on or before the fifteenth day of each month the supplemental fee for all persons enrolled in the program, less two percent for administrative costs. Interest shall be charged on any unpaid balance of the supplemental fees due the division of alcohol and drug abuse pursuant to this section and shall accrue at a rate not to exceed the annual rate established pursuant to the provision of section 32.065, RSMo, plus three percentage points. The supplemental fees and any interest received by the department of mental health pursuant to this section shall be deposited in the mental health earnings fund which is created in section 630.053, RSMo.

3. Any administrator who fails to remit to the division of alcohol and drug abuse of the department of mental health the supplemental fees and interest for all persons enrolled in the program pursuant to this section shall be subject to a penalty equal to the amount of interest accrued on the supplemental fees due the division pursuant to this section. If the supplemental fees, interest, and penalties are not remitted to the division of

alcohol and drug abuse of the department of mental health within six months of the due date, the attorney general of the state of Missouri shall initiate appropriate action of the collection of said fees and interest accrued. The court shall assess attorney fees and court costs against any delinquent program.

[3.] 4. Court-ordered participation in a substance abuse traffic offender program, pursuant to section 577.049, RSMo, shall satisfy the requirements of this section if the court action arose out of the same occurrence that resulted in a person's license being administratively suspended or revoked.

[4.] 5. The division of alcohol and drug abuse of the department of mental health may create a treatment demonstration project within existing appropriations and shall develop and certify a program to provide education or rehabilitation services for individuals determined by the division to be serious or repeat offenders. The program shall qualify as a substance abuse traffic offender program. As used in this subsection, a "serious or repeat offender" is one who was determined to have a blood alcohol content of fifteen-hundredths of one percent or more by weight while operating a motor vehicle or a prior or persistent offender as defined in section 577.023, RSMo.

306.016. 1. By January 1, 1995, the owner of any vessel documented by the United States Coast Guard on August 28, 1994, and the new owner of any vessel purchased after August 28, 1994, who upon the sale or transfer of the vessel desires to document

the vessel with the United States Coast Guard, shall apply for a vessel certificate of registration and pay a certification fee of seven dollars and fifty cents, an initial registration fee in an amount equal to the amount required for a certificate of number under section 306.030 and all applicable state and local or in lieu watercraft taxes as provided by law in effect on the date the vessel was documented or submit proof that all applicable registration fees have been paid to the department of revenue and all applicable taxes or in lieu watercraft taxes have been paid in this or another state. Such application shall include the county in which such vessel will be normally maintained by the new owner. A certificate of registration and a set of registration decals in a form the director shall prescribe shall be issued for a documented vessel. A Missouri resident shall make application for a vessel certificate of registration within thirty days of acquiring or bringing the vessel into this state. A nonresident shall make application for a vessel certificate of registration within sixty days after acquiring a vessel in this state or bringing a vessel into this state if the vessel will be kept in this state for a period in excess of sixty consecutive days. A delinquency penalty fee of ten dollars shall be imposed for each thirty days of delinquency, not to exceed a total of thirty dollars. If the director of revenue learns that any person has failed to make application for a vessel certificate of registration in accordance with this section or has sold a vessel

documented by the United States Coast Guard without obtaining a certificate of registration as provided in this section, the director shall cancel the registration of all vessels and outboard motors registered in the name of the person, either as sole owner or a co-owner, and shall notify the person that the cancellation will remain in force until the person pays the delinquency penalty fee together with all fees, charges, and payments which the person should have paid in connection with the vessel certificate of registration.

2. A boat or vessel documented by the United States Coast Guard or other agency of the federal government and operated on the waters of this state shall not be liable for the payment of any state or local sales or use tax on the purchase, but shall be liable for the payment of an in lieu watercraft tax, which is hereby imposed. The fee in lieu of tax imposed pursuant to this section shall not apply to United States Coast Guard registered vessels purchased for purposes of marine construction including, but not limited to, barges, dredges, marine cranes, and other marine equipment utilized for construction or dredging of waterways. The in lieu watercraft tax shall be collected by the director of revenue and deposited in the state treasury to the credit of general revenue and shall be appropriated for use by the Missouri state water patrol. Watercraft dealers in this state shall report to the director of revenue on forms furnished by the director the sale of each watercraft sold to a resident of

this state. If the watercraft is registered and licensed pursuant to the provisions of this chapter and all applicable sales taxes have been paid, the director shall not collect the in lieu tax imposed by this subsection. If the watercraft is registered with the United States Coast Guard or other agency of the federal government and not under the provisions of this chapter the director shall bill the purchaser of the watercraft for the in lieu tax imposed by this subsection. Any person who fails to pay the in lieu tax due under this section, within thirty days after receipt of the bill from the director of revenue, shall be liable to the same penalties imposed by law for failure to pay sales and use taxes due the state. The in lieu tax shall be determined as follows:

PURCHASE PRICE OF WATERCRAFT	TAX DUE
[\$50,000 or less	\$ 650.00
\$50,001 to \$100,000	1,250.00
\$100,001 to \$150,000	1,850.00
\$150,001 to \$200,000	2,450.00
\$200,001 and above	3,050.00]
<u>Less than \$15,000</u>	<u>\$ 500.00</u>
<u>\$15,001 to \$30,000</u>	<u>650.00</u>
<u>\$30,001 to \$50,000</u>	<u>1,000.00</u>
<u>\$50,001 to \$100,000</u>	<u>1,400.00</u>
<u>\$100,001 to \$150,000</u>	<u>2,000.00</u>
<u>\$150,001 to \$200,000</u>	<u>3,000.00</u>

<u>\$200,001 to \$250,000</u>	<u>4,000.00</u>
<u>\$250,001 to \$300,000</u>	<u>5,000.00</u>
<u>\$300,001 to \$350,000</u>	<u>5,500.00</u>
<u>\$350,001 to \$400,000</u>	<u>6,000.00</u>
<u>\$400,001 to \$450,000</u>	<u>6,500.00</u>
<u>\$450,001 to \$500,000</u>	<u>7,500.00</u>
<u>\$500,001 to \$550,000</u>	<u>8,500.00</u>
<u>\$550,001 to \$650,000</u>	<u>9,500.00</u>
<u>\$650,001 to \$750,000</u>	<u>10,500.00</u>
<u>\$750,001 and above</u>	<u>add an additional 1,500.00</u> <u>for each \$100,000 increment</u>

3. The registration decals for any vessel documented by the United States Coast Guard shall be in force and effect for a period of three years so long as the vessel is owned or held by the original holder of the certificate of registration and shall be renewed upon application and payment of a registration renewal fee equal to the amount required for a certificate of number under section 306.030. The owner shall attach the registration decals to both sides of the forward half of the bow of the documented vessel in a place that is fully visible.

4. The department of revenue may issue a temporary vessel certificate of registration authorizing the operation of a vessel to be documented by the United States Coast Guard for not more than sixty days. The temporary registration shall be made available by the department of revenue and may be purchased from

the department of revenue or from a dealer upon proof of purchase of a vessel. The department shall make temporary certificates of registration available to registered dealers in this state in sets of ten. The fee for the temporary certificates of registration shall be five dollars each. No dealer shall charge more than five dollars for each temporary certificate of registration issued. The temporary registration shall be valid for a period of sixty days from the date of issuance by the department of revenue to the purchaser of the vessel or from the date of sale of the vessel by a dealer from which the purchaser obtains a certificate of registration. The temporary certificate of registration shall be issued on a form prescribed by the department of revenue and issued only for the purchaser's use in the operation of the vessel purchased to enable the purchaser to legally operate the vessel while a certificate of registration is being obtained, and shall be displayed on no other vessel. Temporary certificates of registration issued under this section shall not be transferable or renewable and shall not be valid upon issuance of a proper certificate of registration. The dealer or authorized agent shall insert the date of issuance and expiration date, year, make and the manufacturer's identification number of the vessel on the temporary registration when issued to the purchaser. The dealer shall complete the information on the temporary registration in full. Every dealer that issues a temporary certificate of registration shall keep, for inspection

by authorized officers, a correct record of each temporary certificate of registration issued by the dealer by recording the registration number, purchaser's name and address, year, make and manufacturer's identification number of the vessel on which the temporary certificate of registration is to be used and the date of issuance.

5. Upon the sale or transfer of any vessel documented by the United States Coast Guard for which a certificate of registration has been issued, the registration shall be terminated. If the new owner elects to have the vessel documented by the United States Coast Guard, the new owner shall submit, in addition to the properly assigned certificate of registration, proof of release from the documentation provided by the United States Coast Guard and shall comply with the provisions of this section. If the new owner elects not to document the vessel with the United States Coast Guard, the owner shall comply with the applicable provisions of this chapter.

6. The certificate of registration shall be available at all times for inspection on the vessel for which it is issued, whenever the vessel is in operation.

313.826. Each excursion gambling boat licensed by the commission shall withhold for state income tax purposes from electronic gaming device jackpots or table game jackpots of twelve hundred dollars or more an amount equal to four percent of the prize. Withholdings made pursuant to this section shall be

subject to the withholding tax provisions pursuant to sections 143.191 to 143.261, RSMo, including section 143.261, RSMo.

338.520. 1. The determination of the amount of tax due shall be the monthly gross retail prescription receipts reported to the department of revenue multiplied by the tax rate established by rule by the department of social services. Such tax rate may be a graduated rate based on gross retail prescription receipts and shall not exceed a rate of six percent per annum of gross retail prescription receipts; provided, that such rate shall not exceed one-tenth of one percent per annum in the case of licensed pharmacies of which eighty percent or more of such gross receipts are attributable to prescription drugs that are delivered directly to the patient via common carrier, by mail, or a courier service.

2. The department of social services shall notify each licensed retail pharmacy of the amount of tax due. Such amount may be paid in increments over the balance of the assessment period.

3. The department of social services may adjust the tax rate quarterly on a prospective basis. The department of social services may adjust more frequently for individual providers if there is a substantial and statistically significant change in their pharmacy sales characteristics. The department of social services may define such adjustment criteria by rule.

338.550. 1. The pharmacy tax required by sections 338.500

to 338.550 shall [be the subject of an annual health care cost impact study commissioned by the department of insurance to be completed prior to or on January 1, 2003, and each year the tax is in effect. The report shall be submitted to the speaker of the house, president pro tem of the senate, and the governor. This study shall employ an independent economist and an independent actuary paid for by the state's department of social services. The department shall seek the advice and input from the department of social services, business health care purchasers, as well as health care insurers in the selection of the economist and actuary. This study shall assess the degree of health care costs shifted to individual Missourians and individual and group health plans resulting from this tax.

2.] expire ninety days after any one or more of the following conditions are met:

(1) The aggregate dispensing fee as appropriated by the general assembly paid to pharmacists per prescription is less than the fiscal year 2003 dispensing fees reimbursement amount;
or

(2) The formula used to calculate the reimbursement as appropriated by the general assembly for products dispensed by pharmacies and results in lower reimbursement to the pharmacist in the aggregate than provided in fiscal year 2003; or

(3) June 30, 2005.

The director of the department of social services shall notify the revisor of statutes of the expiration date as provided in this subsection. The provisions of sections 338.500 to 338.550 shall not apply to pharmacies domiciled or headquartered outside this state which are engaged in prescription drug sales that are delivered directly to patients within this state via common carrier, mail or a carrier service.

[3.] 2. Sections 338.500 to 338.550 shall expire on June 30, [2003] 2005.

339.105. 1. Each broker who holds funds belonging to another shall maintain such funds in a separate bank [checking] account in a financial institution[, either a bank, savings and loan association or a credit union in this state, or in an adjoining state with written permission of the commission,] which shall be designated an escrow or trust account [in which all money not his own coming into his possession, including]. This requirement includes funds in which he or she may have some future interest or claim[,]. Such funds shall be deposited promptly unless all parties having an interest in the funds have agreed otherwise in writing. No broker shall commingle his or her personal funds or other funds in this account with the exception that a broker may deposit and keep a sum not to exceed [five hundred] one thousand dollars in the account from his or her personal funds, which sum shall be specifically identified and deposited to cover service charges related to the account.

[The commission may, by written waiver issued for good cause as defined by rule and regulation, relieve a broker from the obligation to maintain a separate escrow or trust account.]

2. [Before issuance of a broker license,] Each broker shall notify the commission of the name of his or her intent not to maintain an escrow account, or the name of the financial institution in which each escrow or trust account is maintained, the name and number of each such account, and shall file written authorization directed to each financial institution to allow the commission or its authorized representative to examine each such account; such notification and authorization shall be submitted on forms provided therefor by the commission [but shall not be required in any case where maintenance of an escrow or trust account has been waived pursuant to subsection 1 of this section]. A broker shall notify the commission within [fifteen] ten business days of any change of his or her intent to maintain an escrow account, the financial institution [or], account numbers, or change in account status.

3. In conjunction with each escrow or trust account a broker shall maintain [at his usual place of business,] books, records, contracts and other necessary documents so that the adequacy of said account may be determined at any time. The account and other records shall be [open] provided to [inspection by] the commission and its duly authorized agents for inspection at all times during regular business hours at the broker's usual

place of business.

4. Whenever the ownership of any escrow moneys received by a broker pursuant to this section is in dispute by the parties to a real estate sales transaction, the broker shall report and deliver the moneys to the state treasurer within three hundred sixty-five days of the date of the initial projected closing date in compliance with sections 447.500 to 447.595, RSMo. The parties to a real estate sales transaction may agree in writing that the funds are not in dispute and shall notify the broker who is holding the funds.

5. A broker shall not be entitled to any [part of the earnest] money or other money paid to him or her in connection with any real estate sales transaction as part or all of his or her commission or fee until the transaction has been consummated or terminated, unless agreed in writing by all parties to the transaction.

[5.] 6. When, through investigations or otherwise, the commission has reasonable cause to believe that a licensee has acted, is acting or is about to act in violation of this section, the commission may, through the attorney general or any [of his] assistants designated by [him] the attorney general, proceed in the name of the commission to institute suit to enjoin any act or acts in violation of this section.

[6.] 7. Any such suit shall be commenced in either the county in which the defendant resides or in the county in which

the defendant has acted, is acting or is about to act in violation of this section.

[7.] 8. In such proceeding, the court shall have power to issue such temporary restraining or injunction orders, without bond, which are necessary to protect the public interest. Any action brought under this section shall be in addition to and not in lieu of any other provisions of this chapter. In such action, the commission or the state need not allege or prove that there is no adequate remedy at law or that any individual has suffered any economic injury as a result of the activity sought to be enjoined.

351.120. 1. Every corporation organized pursuant to the laws of this state, including corporations organized pursuant to or subject to this chapter, and every foreign corporation licensed to do business in this state, whether such license shall have been issued pursuant to this chapter or not, other than corporations exempted from taxation by the laws of this state, shall file an annual corporation registration report.

2. The annual corporate registration report shall state the corporate name, the name of its registered agent and such agent's Missouri address, giving street and number, or building and number, or both, as the case may require, the name and correct business or residence address of its officers and directors, and the mailing address of the corporation's principal place of business or corporate headquarters.

3. The annual corporate registration report shall be due [on] the [date] month that the [corporation's franchise tax report is due as required in section 147.020, RSMo, or] corporation incorporated or qualified. Corporations existing prior to the effective date of this section shall file the annual registration report on the month indicated on the corporation's last annual report. Corporations formed on or after the effective date of this section shall file an annual registration report within thirty days of the date of incorporation [of the corporation. Any extension of time for filing the franchise tax report shall not apply to the due date of the annual corporation registration report. Any corporation that is not required to file a franchise tax report shall still be required to file an annual corporation registration report] or qualification and every year thereafter in the month that they were incorporated or qualified.

4. The annual registration report shall be signed by an officer or authorized person.

[4.] 5. In the event of any [change] error in the names and addresses of the officers and directors set forth in an annual registration report [following the required date of its filing and the date of the next such required report], the corporation may correct such information by filing a certificate of correction pursuant to section 351.049.

[5.] 6. A corporation may change the corporation's

registered office or registered agent with the filing of the corporation's annual registration report. To change the corporation's registered agent with the filing of the annual registration report, the corporation must include the new registered agent's written consent to the appointment as registered agent and a written consent stating that such change in registered agents was authorized by resolution duly adopted by the board of directors. The written consent must be signed by the new registered agent and must include such agent's address. If the annual corporate registration report is not completed correctly, the secretary of state may reject the filing of such report.

[6.] 7. A corporation's annual registration report must be filed in a format as prescribed by the secretary of state.

351.140. Each registration required by section 351.120 shall be on a form [to be supplied] prescribed by the secretary of state and shall be executed subject to the penalties of [making a false declaration under] section [575.060] 575.040, RSMo, by [the president, a vice president, the secretary, an assistant secretary, the treasurer or an assistant treasurer] an officer of the corporation or authorized person. Whenever any corporation is in the hands of an assignee or receiver, it shall be the duty of such assignee or receiver, or one of them, if there be more than one, to register such corporation and otherwise comply with the requirements of this chapter. The

forms shall bear a notice stating that false statements made therein are punishable under section 575.060, RSMo.

351.484. The secretary of state may commence a proceeding pursuant to section 351.486 to dissolve a corporation administratively if:

(1) The corporation fails to pay any final assessment of Missouri corporation franchise tax as provided in chapter 147, RSMo, and the director of revenue has notified the secretary of state of such failure;

(2) The corporation fails or neglects to file the Missouri corporation franchise tax report required pursuant to chapter 147, RSMo, provided the director of revenue has provided a place on both the individual and corporation income tax return to indicate no such tax is due and provided the director has delivered or mailed at least two notices of such failure to file to the usual place of business of such corporation or the corporation's last known address and the corporation has failed to respond to such second notice within thirty days of the date of mailing of the second notice and the director of revenue has notified the secretary of state of such failure;

(3) The corporation fails to file any corporation income tax return or pay any final assessment of corporation income tax as provided in chapter 143, RSMo, and the director of revenue has notified the secretary of state of such failure;

[(2)] (4) The corporation does not deliver its annual

report to the secretary of state within thirty days after it is due;

[(3)] (5) The corporation is without a registered agent or registered office in this state for thirty days or more;

[(4)] (6) The corporation does not notify the secretary of state within thirty days that its registered agent or registered office has been changed, that its registered agent has resigned, or that its registered office has been discontinued;

[(5)] (7) The corporation's period of duration stated in its articles of incorporation expires;

[(6)] (8) The corporation procures its franchise through fraud practiced upon the state;

[(7)] (9) The corporation has continued to exceed or abuse the authority conferred upon it by law, or has continued to violate any section or sections of the criminal law of the state of Missouri after a written demand to discontinue the same has been delivered by the secretary of state to the corporation, either personally or by mail;

[(8)] (10) The corporation fails to pay any final assessment of employer withholding tax, as provided in sections 143.191 to 143.265, RSMo, and the director of revenue has notified the secretary of state of such failure; or

[(9)] (11) The corporation fails to pay any final assessment of sales and use taxes, as provided in chapter 144, RSMo, and the director of revenue has notified the secretary of

state of such failure.

355.856. 1. Each domestic corporation, and each foreign corporation authorized pursuant to this chapter to transact business in this state, shall file with the secretary of state an annual corporate registration report on a form prescribed and furnished by the secretary of state that sets forth:

(1) The name of the corporation and the state or country under whose law it is incorporated;

(2) The address of its registered office and the name of its registered agent at the office in this state;

(3) The address of its principal office;

(4) The names and physical business or residence addresses of its directors and principal officers[;

(5) A brief description of the nature of its activities;

(6) Whether or not it has members;

(7) If it is a domestic corporation, whether it is a public benefit or mutual benefit corporation; and

(8) If it is a foreign corporation, whether it would be a public benefit or mutual benefit corporation had it been incorporated in this state].

2. The information in the annual corporate registration report must be current on the date the annual corporate registration report is executed on behalf of the corporation.

3. The first annual corporate registration report must be delivered to the secretary of state no later than August

thirty-first of the year following the calendar year in which a domestic corporation was incorporated or a foreign corporation was authorized to transact business. Subsequent annual corporate registration reports must be delivered to the secretary of state no later than August thirty-first of the following calendar years. If an annual corporate registration report is not filed within the time limits prescribed by this section, the secretary of state shall not accept the report unless it is accompanied by a fifteen dollar fee. Failure to file the annual registration report as required by this section will result in the administrative dissolution of the corporation as set forth in section 355.706.

4. If an annual corporate registration report does not contain the information required by this section, the secretary of state shall promptly notify the reporting domestic or foreign corporation in writing and return the report to it for correction. [If the report is corrected to contain the information required by this section and delivered to the secretary of state within thirty days after the effective date of notice, it is deemed to be timely filed.]

5. A corporation may change the corporation's registered office or registered agent with the filing of the corporation's annual registration report. To change the corporation's registered agent with the filing of the annual registration report, the corporation must include the new registered agent's

written consent to the appointment as registered agent and a written consent stating that such change in registered agents was authorized by resolution duly adopted by the board of directors. The written consent must be signed by the new registered agent and must include such agent's address. If the annual corporate registration report is not completed correctly, the secretary of state may reject the filing of such report.

6. A corporation's annual registration report must be filed in a format and medium prescribed by the secretary of state.

7. The annual registration report shall be signed by an officer or authorized person and pursuant to this section represents that the signor believes the statements are true and correct to the best knowledge and belief of the person signing, subject to the penalties of section 575.040, RSMo.

356.211. 1. Each professional corporation and each foreign professional corporation shall file with the secretary of state an annual corporation registration report [at the time the corporation's franchise tax report is due. Any extension of time for filing the franchise tax report shall not apply to the due date of the annual corporation registration report. Any corporation that is not required to file a franchise tax report shall still be required to file an annual corporation registration report] pursuant to section 351.120, RSMo. The corporate registration report shall set forth the following information:

(1) The names and residence or physical business addresses of all officers, directors and shareholders of that professional corporation as of the date of the report;

(2) A statement that each officer, director and shareholder is or is not a qualified person as defined in sections 356.011 to 356.261, and setting forth the date on which any shares of the professional corporation were no longer owned by a qualified person, and any subsequent disposition thereof;

(3) A statement as to whether or not suit has been instituted to fix the fair value of any shares not owned by a qualified person, and if so, the date on which and the court in which the same was filed.

2. The report shall be made on a form to be prescribed and furnished by the secretary of state, and shall be executed by [the president or vice president, subject to the penalties of making a false declaration under section 575.060, RSMo. The form shall bear a notice stating that false statements made therein are punishable under section 575.060, RSMo. A reasonable] an officer of the corporation or authorized person.

3. A filing fee [to be set by the secretary of state] in the amount set out in section 351.125, RSMo, shall be paid with the filing of each report, and no other fees shall be charged therefor; except that, penalty [and interest] fees may be imposed by the secretary of state for late filings. The report shall be filed subject to the time requirements of section 351.120, RSMo.

[3.] 4. If a professional corporation or foreign professional corporation shall fail to file a report qualifying with the provisions of this section when such a filing is due, then the corporation shall be subject to the provisions of chapter 351, RSMo, that are applicable to a corporation that has failed to timely file the annual report required to be filed under chapter 351, RSMo.

484.053. The director of revenue is hereby authorized, pursuant to a cooperative agreement with the supreme court, to develop procedures which shall permit the clerk of the supreme court to furnish the director, at least once each year, with a list of persons currently licensed to practice law in this state. If any such person is delinquent on any state taxes or has failed to file state income tax returns in the last three years and such person has not paid in protest or commenced a reasonably founded dispute with such liability, the director shall notify the clerk of the supreme court that such person has such delinquency or failure to file.

488.5025. 1. In addition to any other assessment authorized by law, a court may assess a fee of twenty-five dollars on each person who pays a court ordered judgment, penalty, fine, sanction, or court costs on a time payment basis, including, restitution and juvenile monetary assessments. A time payment basis shall be any judgment, penalty, fine, sanction, or court cost not paid, in full, within thirty days of the date the

court imposed the judgment, penalty fine, sanction, or court cost. Imposition of the time payment fee shall be in addition to any other enforcement provisions authorized by law.

2. Ten dollars of the time payment fee collected pursuant to this section shall be payable to the clerk of the court of the county from which such fee was collected, or to such person as is designated by local circuit court rule as treasurer of said fund, and said fund shall be applied and expended under the direction and order of the court en banc of any such county to be utilized by the court to improve, maintain, and enhance the ability to collect and manage moneys assessed or received by the courts, to improve case processing, enhance court security, preservation of the record, or to improve the administration of justice. Eight dollars of the time payment fee shall be deposited in the statewide court automation fund pursuant to section 476.055, RSMo. Seven dollars of the time payment fee shall be paid to the director of revenue, to be deposited to the general revenue fund.

488.5028. 1. If a person fails to pay court costs, fines, fees, or other sums ordered by a court, to be paid to the state or political subdivision, a court may report any such delinquencies in excess of twenty-five dollars to the office of state courts administrator and request that the state courts administrator seek a setoff of an income tax refund. The state courts administrator shall set guidelines necessary to effectuate the purpose of the offset program.

2. The office of state courts administrator shall provide the department of revenue with the information necessary to identify each debtor whose refund is sought to be setoff and the amount of the debt or debts owed by each such debtor who is entitled to a tax refund in excess of twenty-five dollars.

3. The department of revenue shall notify the office of state courts administrator that a refund has been setoff on behalf of a court and shall certify the amount of such setoff, which shall not exceed the amount of the claimed debt certified. When the refund owed exceeds the claimed debt, the department of revenue shall send the excess amount to the debtor within a reasonable time after such excess is determined.

4. The office of state courts administrator shall notify the debtor by mail that a setoff has been sought. The notice shall contain the following:

- (1) The name of the debtor;
- (2) The manner in which the debt arose;
- (3) The amount of the claimed debt and the department's intention to setoff the refund against the debt;
- (4) The amount, if any, of the refund due after setoff of the refund against the debt; and
- (5) The right of the debtor to apply in writing to the court originally requesting setoff for review of the setoff because the debt was previously satisfied.

Any debtor applying to the court for review of the setoff shall file a written application within thirty days of the date of mailing of the notice and send a copy of the application to the office of state courts administrator. The application for review of the setoff shall contain the name of the debtor, the case name and number from which the debt arose, and the grounds for review. The court may upon application, or on its own motion, hold a hearing on the application. The hearing shall be ancillary to the original action with the only matters for determination whether the refund setoff was appropriate because the debt was unsatisfied at the time the court reported the delinquency to the office of state courts administrator and that the debt remains unsatisfied. In the case of a joint or combined return, the notice sent by the department shall contain the name of the nonobligated taxpayer named in the return, if any, against whom no debt is claimed. The notice shall state that as to the nonobligated taxpayer that no debt is owed and that the taxpayer is entitled to a refund regardless of the debt owed by such other person or persons named on the joint or combined return. The nonobligated taxpayer may seek a refund as provided in section 143.784, RSMo.

5. Upon receipt of funds transferred from the department of revenue to the office of state courts administrator pursuant to a refund setoff, the state courts administrator shall deposit such funds in the state treasury to be held in an escrow account,

which is hereby established. Interest earned on those funds shall be credited to the escrow account and used to offset administrative expenses. If a debtor files with a court an application for review, the state courts administrator shall hold such sums in question until directed by such court to release the funds. If no application for review is filed, the state courts administrator shall, within forty-five days of receipt of funds from the department, send to the clerk of the court in which the debt arose such sums as are collected by the department of revenue for credit to the debtor's account.

488.5030. To collect on past due court ordered penalties, fines, restitution, sanctions, court costs, including, restitution and juvenile monetary assessments, or judgments to the state of Missouri or one of its political subdivisions, any division of the circuit court may contract with public agencies or private entities. Any fees or costs associated with such collection efforts shall be added to the amount due, but such fees and costs shall not exceed twenty percent of the amount collected.

577.041. 1. If a person under arrest, or who has been stopped pursuant to subdivision (2) or (3) of subsection 1 of section 577.020, refuses upon the request of the officer to submit to any test allowed pursuant to section 577.020, then none shall be given and evidence of the refusal shall be admissible in a proceeding pursuant to section 565.024 or 565.060, RSMo, or

section 577.010 or 577.012. The request of the officer shall include the reasons of the officer for requesting the person to submit to a test and also shall inform the person that evidence of refusal to take the test may be used against such person and that the person's license shall be immediately revoked upon refusal to take the test. If a person when requested to submit to any test allowed pursuant to section 577.020 requests to speak to an attorney, the person shall be granted twenty minutes in which to attempt to contact an attorney. If upon the completion of the twenty-minute period the person continues to refuse to submit to any test, it shall be deemed a refusal. In this event, the officer shall, on behalf of the director of revenue, serve the notice of license revocation personally upon the person and shall take possession of any license to operate a motor vehicle issued by this state which is held by that person. The officer shall issue a temporary permit, on behalf of the director of revenue, which is valid for fifteen days and shall also give the person a notice of such person's right to file a petition for review to contest the license revocation.

2. The officer shall make a sworn report to the director of revenue, which shall include the following:

(1) That the officer has:

(a) Reasonable grounds to believe that the arrested person was driving a motor vehicle while in an intoxicated or drugged condition; or

(b) Reasonable grounds to believe that the person stopped, being under the age of twenty-one years, was driving a motor vehicle with a blood alcohol content of two-hundredths of one percent or more by weight; or

(c) Reasonable grounds to believe that the person stopped, being under the age of twenty-one years, was committing a violation of the traffic laws of the state, or political subdivision of the state, and such officer has reasonable grounds to believe, after making such stop, that the person had a blood alcohol content of two-hundredths of one percent or greater;

(2) That the person refused to submit to a chemical test;

(3) Whether the officer secured the license to operate a motor vehicle of the person;

(4) Whether the officer issued a fifteen-day temporary permit;

(5) Copies of the notice of revocation, the fifteen-day temporary permit and the notice of the right to file a petition for review, which notices and permit may be combined in one document; and

(6) Any license to operate a motor vehicle which the officer has taken into possession.

3. Upon receipt of the officer's report, the director shall revoke the license of the person refusing to take the test for a period of one year; or if the person is a nonresident, such person's operating permit or privilege shall be revoked for one

year; or if the person is a resident without a license or permit to operate a motor vehicle in this state, an order shall be issued denying the person the issuance of a license or permit for a period of one year.

4. If a person's license has been revoked because of the person's refusal to submit to a chemical test, such person may petition for a hearing before a circuit or associate circuit court in the county in which the arrest or stop occurred. The person may request such court to issue an order staying the revocation until such time as the petition for review can be heard. If the court, in its discretion, grants such stay, it shall enter the order upon a form prescribed by the director of revenue and shall send a copy of such order to the director. Such order shall serve as proof of the privilege to operate a motor vehicle in this state and the director shall maintain possession of the person's license to operate a motor vehicle until termination of any revocation pursuant to this section. Upon the person's request the clerk of the court shall notify the prosecuting attorney of the county and the prosecutor shall appear at the hearing on behalf of the director of revenue. At the hearing the court shall determine only:

- (1) Whether or not the person was arrested or stopped;
- (2) Whether or not the officer had:

- (a) Reasonable grounds to believe that the person was driving a motor vehicle while in an intoxicated or drugged

condition; or

(b) Reasonable grounds to believe that the person stopped, being under the age of twenty-one years, was driving a motor vehicle with a blood alcohol content of two-hundredths of one percent or more by weight; or

(c) Reasonable grounds to believe that the person stopped, being under the age of twenty-one years, was committing a violation of the traffic laws of the state, or political subdivision of the state, and such officer had reasonable grounds to believe, after making such stop, that the person had a blood alcohol content of two-hundredths of one percent or greater; and

(3) Whether or not the person refused to submit to the test.

5. If the court determines any issue not to be in the affirmative, the court shall order the director to reinstate the license or permit to drive.

6. Requests for review as provided in this section shall go to the head of the docket of the court wherein filed.

7. No person who has had a license to operate a motor vehicle suspended or revoked pursuant to the provisions of this section shall have that license reinstated until such person has participated in and successfully completed a substance abuse traffic offender program defined in section 577.001, or a program determined to be comparable by the department of mental health or the court. Assignment recommendations, based upon the needs

assessment as described in subdivision (22) of section 302.010, RSMo, shall be delivered in writing to the person with written notice that the person is entitled to have such assignment recommendations reviewed by the court if the person objects to the recommendations. The person may file a motion in the associate division of the circuit court of the county in which such assignment was given, on a printed form provided by the state courts administrator, to have the court hear and determine such motion pursuant to the provisions of chapter 517, RSMo. The motion shall name the person or entity making the needs assessment as the respondent and a copy of the motion shall be served upon the respondent in any manner allowed by law. Upon hearing the motion, the court may modify or waive any assignment recommendation that the court determines to be unwarranted based upon a review of the needs assessment, the person's driving record, the circumstances surrounding the offense, and the likelihood of the person committing a like offense in the future, except that the court may modify but may not waive the assignment to an education or rehabilitation program of a person determined to be a prior or persistent offender as defined in section 577.023, or of a person determined to have operated a motor vehicle with fifteen-hundredths of one percent or more by weight in such person's blood. Compliance with the court determination of the motion shall satisfy the provisions of this section for the purpose of reinstating such person's license to operate a

motor vehicle. The respondent's personal appearance at any hearing conducted pursuant to this subsection shall not be necessary unless directed by the court.

8. The fees for the substance abuse traffic offender program, or a portion thereof to be determined by the division of alcohol and drug abuse of the department of mental health, shall be paid by the person enrolled in the program. Any person who is enrolled in the program shall pay, in addition to any fee charged for the program, a supplemental fee [of sixty dollars] to be determined by the department of mental health for the purposes of funding the substance abuse traffic offender program defined in section 302.010, RSMo, and section 577.001. The administrator of the program shall remit to the division of alcohol and drug abuse of the department of mental health on or before the fifteenth day of each month the supplemental fee for all persons enrolled in the program, less two percent for administrative costs. Interest shall be charged on any unpaid balance of the supplemental fees due the division of alcohol and drug abuse pursuant to this section and shall accrue at a rate not to exceed the annual rates established pursuant to the provisions of section 32.065, RSMo, plus three percentage points. The supplemental fees and any interest received by the department of mental health pursuant to this section shall be deposited in the mental health earnings fund which is created in section 630.053, RSMo.

9. Any administrator who fails to remit to the division of

alcohol and drug abuse of the department of mental health the supplemental fees and interest for all persons enrolled in the program pursuant to this section shall be subject to a penalty equal to the amount of interest accrued on the supplemental fees due the division pursuant to this section. If the supplemental fees, interest, and penalties are not remitted to the division of alcohol and drug abuse of the department of mental health within six months of the due date, the attorney general of the state of Missouri shall initiate appropriate action of the collection of said fees and interest accrued. The court shall assess attorney fees and court costs against any delinquent program.

577.049. 1. Upon a plea of guilty or a finding of guilty for an offense of violating the provisions of section 577.010 or 577.012 or violations of county or municipal ordinances involving alcohol or drug related traffic offenses, the court shall order the person to participate in and successfully complete a substance abuse traffic offender program defined in section 577.001.

2. The fees for the substance abuse traffic offender program, or a portion thereof, to be determined by the division of alcohol and drug abuse of the department of mental health, shall be paid by the person enrolling in the program. Any person who [attends] is enrolled in the program shall pay, in addition to any fee charged for the program, a supplemental fee [of sixty dollars] to be determined by the department of mental health for

the purposes of funding the substance abuse traffic offender program defined in section 302.010, RSMo, and section 577.001.

The administrator of the program shall remit to the division of alcohol and drug abuse of the department of mental health on or before the fifteenth day of each month the supplemental fees for all persons enrolled in the program, less two percent for administrative costs. Interest shall be charged on any unpaid balance of the supplemental fees due the division of alcohol and drug abuse pursuant to this section and shall accrue at a rate not to exceed the annual rates established pursuant to the provisions of section 32.065, RSMo, plus three percentage points. The supplemental fees and any interest received by the department of mental health pursuant to this section shall be deposited in the mental health earnings fund which is created in section 630.053, RSMo.

3. Any administrator who fails to remit to the division of alcohol and drug abuse of the department of mental health the supplemental fees and interest for all persons enrolled in the program pursuant to this section shall be subject to a penalty equal to the amount of interest accrued on the supplemental fees due the division pursuant to this section. If the supplemental fees, interest, and penalties are not remitted to the division of alcohol and drug abuse of the department of mental health within six months of the due date, the attorney general of the state of Missouri shall initiate appropriate action of the collection of

said fees and interest accrued. The court shall assess attorney fees and court costs against any delinquent program.

577.520. 1. No person who has had his license suspended or revoked under the provisions of sections 577.500 and 577.505 shall have that license reinstated until he has paid a twenty-dollar reinstatement fee and has successfully completed a substance abuse traffic offender program as defined in section 577.001.

2. The fees for the substance abuse traffic offender program, or a portion thereof to be determined by the division of alcohol and drug abuse of the department of mental health, shall be paid by the person enrolled in the program. Any person who is enrolled in the program shall pay, in addition to any fee charged for the program, a supplemental fee [of sixty dollars] to be determined by the department of mental health for the purposes of funding the substance abuse traffic offender program defined in section 302.010, RSMo, and section 577.001, RSMo, or a program determined to be comparable by the department of mental health. The administrator of the program shall remit to the division of alcohol and drug abuse of the department of mental health on or before the fifteenth of each month the supplemental fees for all persons enrolled in the program, less two percent for administrative costs. Interest shall be charged on any unpaid balance of the supplemental fees due the division of alcohol and drug abuse pursuant to this section and shall accrue at a rate

not to exceed the annual rates established pursuant to the provisions of section 32.065, RSMo, plus three percentage points. The supplemental fees and any interest received by the department of mental health pursuant to this section shall be deposited in the mental health earnings fund which is created in section 630.053, RSMo.

3. Any administrator who fails to remit to the division of alcohol and drug abuse of the department of mental health the supplemental fees and interest for all persons enrolled in the program pursuant to this section shall be subject to a penalty equal to the amount of interest accrued on the supplemental fees due the division pursuant to this section. If the supplemental fees, interest, and penalties are not remitted to the division of alcohol and drug abuse of the department of mental health within six months of the due date, the attorney general of the state of Missouri shall initiate appropriate action of the collection of said fees and interest accrued. The court shall assess attorney fees and court costs against any delinquent program.

Section 1. 1. As a condition of continued employment with the state of Missouri, all persons employed full-time, part-time, or on a temporary or contracted basis by the executive, legislative, or judicial branch shall file all state income tax returns and pay all state income taxes owed.

2. Each chief administrative officer or their designee of each division of each branch of state government shall at least

one time each year check the status of every employee within the division against a database developed by the director of revenue to determine if all state income tax returns have been filed and all state income taxes owed have been paid. The officer or designee shall notify any employee if the database shows any state income tax return has not been filed or taxes are owed under that employee's name or taxpayer number. Upon notification, the employee will have forty-five days to satisfy the liability or provide the officer or designee with a copy of a payment plan approved by the director of revenue. Failure to satisfy the liability or provide a copy of the payment plan within the forty-five days will result in immediate dismissal of the employee from employment by the state.

3. The chief administrative officer of each division of the general assembly or their designee shall at least one time each year provide the name and social security number of every member of the general assembly to the director of revenue to determine if all state income tax returns have been filed and all state income taxes owed have been paid. The director shall notify any member of the general assembly if the database shows any state income tax return has not been filed or taxes are owed under that member's name or taxpayer number. Upon notification, the member will have forty-five days to satisfy the liability or provide the director with a copy of a payment plan approved by the director of revenue. Failure to satisfy the liability or provide a copy

of the payment plan within the forty-five days will result in the member's name being submitted to the appropriate ethics committee for disciplinary action deemed appropriate by the committee.

4. The chief administrative officer of each division of the judicial branch or their designee shall at least one time each year provide the name and social security number of every elected or appointed member of the judicial branch to the director of revenue to determine if all state income tax returns have been filed and all state income taxes owed have been paid. The director shall notify any member if the database shows any state income tax return has not been filed or taxes are owed under that member's name or taxpayer number. Upon notification, the member will have forty-five days to satisfy the liability or provide the director with a copy of a payment plan approved by the director of revenue. Failure to satisfy the liability or provide a copy of the payment plan within the forty-five days will result in the member's name being submitted to the appropriate ethics body for disciplinary action deemed appropriate by that body.

5. The director of revenue shall at least one time each year check the status of every statewide elected official against a database developed by the director to determine if all state income tax returns have been filed and all state income taxes owed have been paid. The director shall notify any elected official if the database shows any state income tax return has not been filed or taxes are owed under that official's name or

taxpayer number. Upon notification, the official will have forty-five days to satisfy the liability or agree to a payment plan approved by the director of revenue. Failure to satisfy the liability or agree to the payment plan within the forty-five days will result in the official's name being submitted to the state ethics commission.

Section 2. All governmental entities issuing professional licenses, certificates, registrations, or permits pursuant to sections 209.319 to 209.339, RSMo, sections 214.270 to 214.516, RSMo, sections 256.010 to 256.453, RSMo, section 375.014, RSMo, sections 436.005 to 436.071, RSMo, and chapter 317, RSMo, and chapters 324 to 346, RSMo, shall provide the director of revenue with the name and social security number of each applicant for licensure with or licensee of such entities within one month of the date the application is filed or at least one month prior to the anticipated renewal of a licensee's license. If such licensee is delinquent on any state taxes or has failed to file state income tax returns in the last three years, the director shall then send notice to each such entity and licensee. In the case of such delinquency or failure to file, the licensee's license shall be revoked within ninety days after notice of such delinquency or failure to file, unless the director of revenue verifies that such delinquency or failure has been remedied or arrangements have been made to achieve such remedy. Tax liability paid in protest or reasonably founded disputes with

such liability shall be considered paid for the purposes of this section.

[196.365. 1. It shall be unlawful to make, manufacture, or in any manner produce or distribute any soft drinks or beverages, excepting malt beverages, without first obtaining a license from the department of health and senior services, as in sections 196.365 to 196.445 required.

2. The term "soft drinks" as used in sections 196.365 to 196.445 shall be held to mean and include all beverages of every kind manufactured or sold in this state, which shall be understood to include those containing less than one-half of one percent of or no alcohol, including carbonated beverages, still drinks, seltzer water, artificial or natural mineral waters, and all other waters used and sold for beverage purposes.

3. Application for such license shall be made to the department of health and senior services on a blank prescribed by the department for that purpose. Such license shall expire on the thirtieth day of June next following the day of issuance thereof.]

[196.367. Effective July 1, 2005, any manufacturer or distributor shall be exempted from the provisions of sections 196.365 to 196.445 if the manufacturer satisfies all applicable Food and Drug Administration regulations.]

[196.370. Upon receipt of the application the department of health and senior services shall cause an examination and inspection to be made into the sanitary conditions of such place of manufacture and may also cause an analysis to be made of the products of such manufacturer. If the buildings and equipment so to be used found by the department of health and senior services to be in a sanitary condition and the analysis of said products or samples thereof show the same to be unadulterated and free from ingredients injurious to health, the department of health and senior services

upon payment of a license fee as provided by sections 196.365 to 196.445, shall cause a license to be issued authorizing the applicant to manufacture any such soft drinks or beverages. Such license shall be renewed annually upon the same terms and conditions as required for the original license.]

[196.375. A license fee of one dollar shall be paid by each manufacturer or distributor of soft drinks or beverages required to be licensed under the provisions of sections 196.365 to 196.445; and in addition thereto an inspection fee shall be paid by wholesale manufacturers or distributors of soft drinks or beverages of three-tenths cent for each gallon of such beverage manufactured or sold in this state, but the fees for inspection shall not exceed four cents per month per case of twenty-four bottles or cans of such manufacturer's bottling or canning capacity, as determined by the rated capacity of the machines therein for an eight-hour day as rated by the manufacturer of such machines. All fees received shall be paid into the state treasury.]

[196.380. All beverages, soft drinks, sirups, flavors or extracts as in sections 196.365 to 196.445 described, which are manufactured, prepared or bottled in this state and exported outside of this state for sale, shall be inspected as other beverages, soft drinks, sirups, flavors or extracts designated in said sections, but such inspection shall be free of cost to the manufacturer or bottler.]

[196.385. No such bottled soft drinks or beverages that are manufactured out of the state of Missouri shall be sold or offered for sale within the state unless the same is first inspected and analyzed and approved by the department of health and senior services which shall be upon a like application as provided in section 196.365 and a license fee of one dollar shall be paid therefor; and in addition thereto an inspection fee of three-tenths cent for each gallon of such

beverages sold in this state by such manufacturer shall be paid by such manufacturer. Like samples for such inspection and analysis shall be furnished as herein provided for Missouri manufacturers. Such license shall be renewed annually upon the same terms and conditions as required for the original license.]

[196.390. Every railroad, express or transportation company shall, when requested, furnish to the department of health and senior services a duplicate bill of lading or receipt showing the name of the consignor and consignee, date, place received, destination and quantity of soft drinks or beverages, sirups, extracts or flavors received by them for shipment to any point within this state. Upon failure to comply with the provisions therein, said railroad, express or transportation company shall pay to the state of Missouri the sum of fifty dollars for each and every failure, to be recovered in any court of competent jurisdiction. The department of health and senior services is hereby authorized and empowered to sue in its name at the relation and to the use of the state and any sums thus collected shall be paid into the state treasury.]

[196.395. Every person, firm or corporation who shall receive for sale or offer for sale any such nonintoxicating beverages or soft drinks, fountain or other sirups, flavors or extracts other than those manufactured, prepared or bottled in this state, shall, upon receipt of same, and before offering same for sale, notify the department of health and senior services who shall be furnished with a sworn affidavit subscribed by an officer authorized to administer oaths, from the manufacturer or bottler or other reputable person having actual knowledge of the composition of such beverages, sirups or flavors, that no material which is not pure, clean or wholesome was used in the manufacture of same.]

[196.400. No person, persons, firm or

corporation engaged in the manufacture or bottling within this state of any nonintoxicating beverage or soft drink, as that term is described in section 196.365, or of fountain sirups, flavors or extracts intended for use in the preparation or concoction of such beverages or soft drinks, shall use any substance materially or chemically in the manufacture, bottling or preparation of such beverages which is not pure, clean and wholesome.]

[196.405. All manufacturers, wholesalers and dealers in bottling soft drinks, beverages, sirups, flavors or extracts shall keep an accurate account of their sales and make a report under oath at the end of each month to the department of health and senior services with a remittance to cover all sales for the month, unless such manufacturer or bottler pays the maximum inspection fee based on the bottling capacity of such manufacturer's or bottler's plant pursuant to section 196.375. The books of such manufacturers, bottlers, wholesalers or dealers shall at all times be open to examination and inspection by the department of health and senior services and its officers and agents.]

[196.415. No person, firm or corporation shall sell, offer for sale or give away within the state any beverages in bottles or other containers unless each of such bottles or containers shall have blown into it, etched or engraved, or otherwise labeled thereon, the name of the person, firm or corporation manufacturing or bottling such beverage or the name of the registered trademark of such beverages. The filling or refilling of any bottles or other containers with soft drinks, or beverages with intent to sell or vend such soft drinks or beverages which bears the label of any other person, firm or corporation, without the consent of such person, firm or corporation, shall be deemed a violation of sections 196.365 to 196.445.]

[196.420. All containers used in the

packaging of soft drinks shall be clean and sanitary at the time of selling, in accordance with regulations established by the department of health and senior services, after public notice and hearing.]

[196.425. The department of health and senior services shall record on books kept for that purpose the names and places of business of all persons, firms and corporations engaged in the manufacture, preparation or bottling of all nonintoxicating beverages or soft drinks or sirups, flavors or extracts as described in section 196.365. The department shall keep a record of all nonintoxicating beverages or soft drinks manufactured, prepared or bottled and the amount produced by each manufacturer or bottler or sold by dealer, or in the case of manufacturers in this state, of the bottling capacity of such manufacturer's plant and shall keep a record of all inspections made. The department shall keep a record of all fees collected and all expenditures incurred and shall make a full and complete report of the same to the governor upon the first day of each year.]

[196.430. The expense of the department of health and senior services incurred in carrying out the provisions of sections 196.365 to 196.445, including salaries, traveling expenses of officials or employees and of supplies, shall be paid in the same manner as other expenses of the department of health and senior services pursuant to the laws relating thereto; and all fees shall be payable to and collected by the state director of revenue and shall be deposited by him in the state treasury to the credit of the general revenue fund of the state.]

[196.435. The department of health and senior services shall have power to revoke any license issued under the provisions of sections 196.365 to 196.445 whenever said department shall determine that any provision of sections 196.365 to 196.445 or the rules and regulations of the department of health and senior services made in pursuance to the

sections have been violated. Any person, firm or corporation whose license has been revoked, shall discontinue the manufacture and sale of soft drinks or beverages until the provisions of sections 196.365 to 196.445 have been complied with and a new license issued. The department of health and senior services may revoke such license temporarily until there is a compliance with the provisions of sections 196.365 to 196.445 or the rules and regulations of the department of health and senior services made in pursuance to said sections.]

[196.436. Any person aggrieved by an official action of the department of health and senior services affecting the licensed status of a person under the provisions of sections 196.365 to 196.445, including the refusal to grant, the grant, the revocation, the suspension, or the failure to renew a license, may seek a determination thereon by the administrative hearing commission pursuant to the provisions of section 161.272, RSMo, and it shall not be a condition to such determination that the person aggrieved seek a reconsideration, a rehearing, or exhaust any other procedure within the department of health and senior services or the department of social services.]

[196.440. The department of health and senior services may make suitable rules and regulations for the carrying out of the provisions of sections 196.365 to 196.445.]

[196.445. Any person who shall violate any of the provisions of sections 196.365 to 196.445 shall be deemed guilty of a misdemeanor and shall, upon conviction thereof be punished by a fine not exceeding five hundred dollars or by imprisonment in the county jail for a period not exceeding ninety days, or by both such fine and imprisonment.]

[338.501. In fiscal year 2003, the amount generated by the tax imposed pursuant to section 338.500, less any amount paid

pursuant to section 338.545, shall be used in the formula necessary to qualify for the calculations included in house bill 1102, section 2.325 through section 2.333 as passed by the ninety-first general assembly, second regular session.】

【338.545. 1. The Medicaid pharmacy dispensing fee shall be adjusted to include a supplemental payment amount equal to the tax assessment due plus ten percent.

2. The amount of the supplemental payment shall be adjusted once annually beginning July first or once annually after the initial start date of the pharmacy tax, whichever is later.

3. If the pharmacy tax required by sections 338.500 to 338.550 is declared invalid, the pharmacy dispensing fee for the Medicaid program shall be the same as the amount required on July 1, 2001.】

Section B. Because immediate action is necessary to fund critical services of state government, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace, and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval or on July 1, 2003, whichever later occurs.

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